

CANTERBURY REGIONAL COUNCIL

Kaunihera Taiao ki Waitaha

**Consultation on the
LONG-TERM PLAN 2018-2028
and the Revenue and Financing Policy**

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Welcome to the Long-Term Plan for 2018 to 2028

We are incredibly lucky in Canterbury. We live in a geographically beautiful region with alpine lakes, braided rivers and a coastline of harbours, cliffs and beaches; water is plentiful; and our largely agriculture-based economy is strong. We are one of the few places in the world where there is an abundance of freshwater. But there is work to do to manage this, to fix the things that aren't right and to act now to ensure generations to come can also enjoy Canterbury.

The work of Environment Canterbury contributes to this management and we work on behalf of the Canterbury community. Through your rates you pay us to work with other agencies and to make informed decisions to balance the economic, environmental, social and cultural needs of the region. We thank you for the trust that you put in us.

We need your input

As the regional council for Canterbury, we are responsible for facilitating sustainable development in the region. This means we work to enable economic growth in a way that enhances our quality of life and does not compromise environmental sustainability. We balance the diverse expectations of our communities, our legal obligations, and what's affordable. It makes for

a challenging role, and the community's input is key to getting that balance right.

Our work has an impact on the air you breathe, the water you swim in or use for your business, the places you gather kai from, how well protected you are in the event of a flood or natural disaster, how easily you can move yourself or freight around the region, and how well our ports and harbours function, for example. All things that affect you today and will affect you and your family in the future.

The community has a role to play in the future of Canterbury, and you are already involved and contributing to that future if you pay rates, take a bus, have a wood burner, own a farm, swim in the rivers...

What is Environment Canterbury's role?

We have a governance council with twelve members (five appointed and seven elected) who represent the community, and 600 (full-time equivalent) staff located across the region covering the areas of nine District Councils (Ashburton, Hurunui, Kaikōura, Mackenzie, Selwyn, Timaru, Waimakariri, Waimate and Waitaki) and the Christchurch City Council (i.e. Canterbury's ten 'territorial authorities'). We work closely with these organisations – although our roles are different. Your feedback on our Long-Term Plan (LTP), as well as that

of your home territorial authority, is important as the two plans will impact different aspects of the area you live in.

Environment Canterbury's work is divided into five 'functional portfolios':

- Freshwater Management
- Biodiversity and Biosecurity
- Hazards, Risk and Resilience
- Air Quality
- Transport and Urban Development.

We have a sixth portfolio when reporting – Regional Leadership – that enables all the others through the management of relationships, communication and information, development and delivery of the planning framework and application of monitoring and enforcement.

Why a ten year plan?

The Long-Term Plan spans ten years of activity. Every three years we develop a new ten-year LTP. For the first three years of the LTP we are able to outline in detail the expected activity and the costs associated with that activity. It is harder to do this further out as priorities change. In the second and third year, we check back in with the community via the Annual Plan to ensure we

are still on track and/or to get feedback on any proposed changes that are significant in terms of impact or cost.

How the plan is formed

In March 2017 the Council commenced the process by asking the community for early ideas for the LTP as part of the 2017/18 Annual Planning process. The Councillors then started the process of identifying what was working well, what needed to evolve and where the focus should be, recognising that the work has to be affordable for the community. Listening to Ngāi Tahu, stakeholders and the public, we heard that the top priority needs to continue to be freshwater management, but that indigenous biodiversity needs to be elevated to a higher priority.

This focus was tested with stakeholder organisations and the community – which confirmed what Councillors had heard.

Other than the proposed discontinuation of six bus routes, there are no significant changes to the current levels of service. Instead we have changed the prioritisation of some of our programmes and emphasised projects included in larger programmes.

The LTP is built through conversations with many other organisations; the analysis of environmental, social, political and technological drivers that will impact in the future; affordability checking; and many rounds of

Council discussions to find the right balance between the programmes – before it is made available to the community as a draft document for consultation and feedback. In this Consultation Document we have outlined the key areas of activity under each of our portfolios.

We are asking for input on pages 38 and 39 regarding a decision around bus routes and fares. On page 41 we specifically ask for your input on our Revenue and Financing Policy – the document that outlines how we use funds from a number of sources (including your rates) to pay for the activity in the LTP.

You are welcome to make a submission on any part of the LTP. Please see page 54 for ways to do this.

Legislation and policies guiding our work

The work of a regional council is guided by a framework of national policies, legislation and local plans and strategies. For example, the Environment Canterbury (Transitional Governance Arrangement) Act 2016 determines the current make-up of our Council; the Resource Management Act 1991 is the platform for most of our work; the Local Government Act 2002 determines our role and how we must act.

For our activities there are a number of layers of regulatory and non-regulatory influencers. For example, the National Policy Statement for Freshwater

Management sets the national targets that all regional councils work towards. The Land and Water Regional Plan (LWRP) and all its subsequent amendments (plan changes or PCs) sets out the specific rules that will enable Canterbury to reach the national targets in a timeframe acceptable to the local community. The Canterbury Water Management Strategy – developed by all the councils in Canterbury under the umbrella of the Mayoral Forum, working with Ngāi Tahu and the community – outlines how the many facets of the community will work together to manage freshwater.

Our Priorities

Tō tātou kaupapa mātua

Freshwater management and indigenous biodiversity

Councillors and staff collectively spend a large amount of time talking and listening to other people. Through formal agreements and work programmes and through less formal channels, the views of the community are heard and are enormously valuable in the decision-making process. It isn't possible to please everyone all the time, so when the proposed strategic priorities of freshwater management and indigenous biodiversity were tested with the community to check that we had heard correctly where the priorities should be, it was good to get overwhelming agreement.

These two strategic priorities are inextricably linked in the health of Canterbury's waterways, in particular in our magnificent braided rivers.

Freshwater management

Implementing innovative solutions to manage our freshwater resource to support community use (mahinga kai, drinking water and recreation), achieve ecosystem health and sustainable economic development.

For the last seven years the Mayoral Forum's Canterbury Water Management Strategy (CWMS) has been a strategic priority. Many of the initiatives outlined in the CWMS are now part of business-as-usual for Environment Canterbury, Ngāi Tahu, the territorial authorities and other agencies that are party to the CWMS. When this strategic priority was discussed with stakeholder organisations, the conversations confirmed overall agreement with the direction, specific projects and how they are funded, phasing of work and priorities, and how to strengthen the CWMS itself.

See also page 15.

Indigenous biodiversity

Creating a step-change in effort in the regeneration of freshwater, marine and terrestrial biodiversity.

There are many agencies involved in the management of our biodiversity, including the territorial authorities, Environment Canterbury, Department of Conservation, local community groups, and landowners.

Our role is to help look after the habitats and ecosystems that support indigenous biodiversity. This is in our waterways and on land. While the focus is on freshwater biodiversity, we will be spending the next couple of years also working with other agencies to determine our role in marine biodiversity.

Council has indicated the desire to not just hold the line on the current position around biodiversity but to bring about a step-change in effort to halt the decline and restore the natural character of degraded indigenous habitats and ecosystems.

See also page 20.

Regional Leadership

Maintaining effective relationships; providing evidence-based policy; supporting well-informed decision makers and community; and providing a robust, adaptive, and cost-effective regulatory process that underpins the sustainable management of Canterbury's natural resources.

We have previously had two portfolios of work that support the operations of the council: Regional Leadership and Planning, Consents and Compliance. For this LTP these two have been combined into a single Regional Leadership portfolio. This covers all the activity that 'enables' the five other portfolios of work outlined on pages 15 to 40.

Under this portfolio there are six work programmes:

- Governance and Engagement
- Strategy and Direction
- Ngāi Tahu and Regional Relationships
- Long-Term Community Planning
- Plans, Consenting and Compliance
- Our Information and Advice.

What does this mean?

This portfolio is about enabling Environment Canterbury to take a leadership role while recognising that we are not alone in the delivery of the actions necessary to achieve our community outcomes (see page 51).

A fundamental part of this work is about maintaining strong relationships: with the ten Canterbury Papatipu Rūnanga and Te Rūnanga o Ngāi Tahu (known as our Tuia relationship, ‘working together shoulder-to-shoulder’); and with territorial authorities, government agencies, key industry groups and non-government organisations. Through our Tuia work programme and the strength of this relationship, values of importance to Ngāi Tahu are better recognised in our work. Through the Regional Forum secretariat we support the Regional Forums (Mayoral Forum, Chief Executives’ Forum, and Policy, Corporate, and Operations Forums) and technical working groups, working with district and city councils and other regional partners.

Regional Leadership includes setting the overall planning objectives for the other portfolios, managing resource consents, and compliance monitoring and enforcement.

We collect, maintain and share quality-assured data and information to enable decision-making, from on-farm

through to the development of regional and national policy. We also provide ways for the community to engage with us and play an active part in shaping the future of the region.

Freshwater Management

Implementing innovative solutions to manage our freshwater resource to support community use (mahinga kai, drinking water and recreation), achieve ecosystem health and sustainable economic development.

Freshwater management is the highest of Environment Canterbury's strategic priorities, confirmed through feedback from the community and stakeholders. It is also probably the most contentious and complicated issue the region faces. There is often misinformation circulating about the state of the waterways, what causes the issues, and what is being done about it. A focus for this Long-Term Plan period is to provide clearer, easier to access information so the people of Canterbury who want to know more can find out easily.

For the Long-Term Plan 2018-28 there is a lot of good work to build on. Relationships with other agencies that are critical to success are robust, and plans are in place for regionwide initiatives – such as the Good Management Practice (GMP) implementation for farmers – and local, on-the-ground projects. This doesn't mean the job is done, far from it. There are areas that need attention now and there are those that we know will take decades to restore.

The freshwater management work goes hand-in-hand with much of our biodiversity work, particularly in our

braided rivers. Staff within these portfolios work closely together to ensure resources are optimised.

The Canterbury Water Management Strategy

The Canterbury Water Management Strategy (CWMS) was agreed by the Mayoral Forum in 2009 and outlines the way that the region will work to bring about the change needed and ongoing freshwater management. The collaborative approach in the CWMS has delivered results for Canterbury by enabling the challenges to be identified and progressed. During the Long-Term Plan, work will be undertaken to ensure the CWMS is fit for the future needs of the region, strengthening the strategy so it can continue to deliver the outcomes the community has asked for, for our freshwater.

Regional approach, local solutions

The Canterbury Water Regional Committee will continue its work to bring together different organisations and representatives of the community to advise on water management issues. The ten Water Zone Committees ('zone committees') are joint committees between Environment Canterbury and the district or city council within the relevant geographical 'zone', and have rūnanga and community representation in their membership. These zone committees will continue to be supported through planning and advisory processes, with science advice from Environment Canterbury staff.

Their focus during the ten years of this LTP will move to implementation of the planning framework.

The trial role of a Cultural Land Management Advisor, located in the Selwyn Waihora zone, will be made permanent, and an additional two similar roles will be added to support farmers with cultural awareness around mahinga kai and wahi taonga outcomes for the community, and delivery of the 2020 CWMS kaitiakitanga targets. Two Land Management Advisor roles are also proposed, to work alongside primary sector bodies in the south of the region to support farmers in the uptake of Good Management Practices to enable the delivery of the CWMS nutrient management targets. Resource will also be applied to the data management of the Farm Environment Plan audit programme.

The role of the RMA

Work has been done to assess the current needs in the Resource Management Act (RMA) Water Framework programme, with the outcome being a temporary cost reduction of \$250,000 per annum from 2018/19, for three years. These annual savings have been made on the basis that funding is re-established in years 4-6 of the Long-Term Plan to meet the anticipated demands of future National Planning Standards.

Historic consents are often not aligned to new provisions and rules set as part of more recent collaborative planning processes. A review of these consents may be necessary in some areas to achieve the outcomes the community wants to see. The use of consent reviews (as an alternative to or to complement plan change proposals in local catchment areas) has been considered by Council. The Ashburton River/Hakatere catchment is the most suitable candidate for consent reviews in the short-term and this will be investigated as part of this Long-Term Plan implementation.

Are we making a difference?

When we are dealing with issues that in many cases have taken decades to cause, and that we know will take as long to fix, it is easy to look at the short-term and think very little is changing. Environmental monitoring and progress reporting is key to knowing if the small incremental changes are adding up to a better environmental outcome. In this LTP there will be an increased focus on data across all portfolios, with particular attention on water monitoring, state of the environment reporting, and providing data in a way that is meaningful to the end user, for example the zone committees, the science community, territorial authorities, or the public. There will also be a focus on reporting mātauranga Māori (indigenous knowledge) alongside our state of the environment reporting. This

data management and monitoring is key to measuring progress and being able to respond to changes.

Budget has been allowed in the LTP for specific resources in periphyton monitoring in particular to respond to the National Policy Statement for Freshwater Management requirements.

This Long-Term Plan proposes to change the current region-wide targeted rate for the Canterbury Water Management Strategy to a region-wide general rate for Freshwater Management. This will not impact the amount you pay. This is further explained on page 46.

There are six programmes in this portfolio:

- CWMS (Canterbury Water Management Strategy) Facilitation
- Environmental Monitoring and Progress Reporting
- Resource Management Act Water Framework
- Zone and Regional Delivery
- Regional Water Infrastructure Support
- Te Waihora Restoration.

Biodiversity and Biosecurity

Creating a step-change in effort in the regeneration of freshwater, marine and terrestrial biodiversity.

Canterbury's landscapes and waterways are home to some of New Zealand's unique flora and fauna. Some of these indigenous species thrive here – and some are under threat and need to be protected.

There are a large number of agencies and individuals that work to protect our indigenous biodiversity, such as the territorial authorities, the Department of Conservation, Forest & Bird, and local trusts, landowners and volunteer groups. Environment Canterbury works alongside them to help enable this to happen. It is not part of our remit to protect the species themselves, our role is to protect the habitats and ecosystems to enable these species to thrive.

Biodiversity and biosecurity explained

Biodiversity, or biological diversity, is essentially the variety/diversity of all living organisms – aquatic animals, plants, birds, fungi and so on. When we talk about indigenous biodiversity we are referring specifically to those organisms that are native to New Zealand, and the ecosystems (water or land) that they live in. Our work is in the protection or kaitiakitanga/stewardship of

what is uniquely 'kiwi' in nature through management of the habitats and ecosystems.

Integral to this is our biosecurity work: reducing the harm from introduced plants, animals and diseases. This biosecurity work helps protect the environment, human health, social and cultural values, and the economy. Examples include preventing the spread of wilding pines or nassella tussock that can interfere with crops and the ecosystems inhabited by indigenous biodiversity. In biosecurity reports and our LTP you will see mention of 'pathway management' which refers to the prevention of spread and new pest arrivals.

Step-change

As part of its strategic direction setting, this Council confirmed the need to bring about a 'step-change in effort' to halt the decline and restore the natural character of degraded indigenous habitats and ecosystems. Please refer to page 10.

This means taking increased action to halt the decline and then start to regenerate indigenous ecosystems and habitats. This is not something Environment Canterbury can do on its own and there are many agencies and community groups who do valuable work to protect our biodiversity.

To achieve a measurable change in the state of regional indigenous biodiversity there needs to be increased

activity on a number of fronts. This includes thinking and acting strategically about where our efforts should be placed, protecting biodiversity from human threats, and from plant and animal pests, as well as restoring sites that have been degraded.

Working with landowners

Landowner commitment and action is an essential component of successful biodiversity programmes. There are many landowners in Canterbury who already undertake habitat restoration and rehabilitation work. We are looking to work with willing landowners to achieve the step-change for the region. The Immediate Steps funding makes grants available through the ten zone committees and the Regional Committee, for local projects where the project owner, typically a landowner, also contributes to the project costs. In this Long-Term Plan, it is proposed that Immediate Steps funding will continue, with a greater emphasis on connections between projects.

We will continue to invest in capability building and co-ordinating a network of environmental groups. These groups are important partners in the region's biodiversity and biosecurity, and work will be done on the programme and the agreements between Environment Canterbury, territorial authorities and the not-for-profit organisations we support.

Braided Rivers and Wetlands programmes

Braided rivers and wetlands are among Canterbury's most valuable and most threatened natural environments. In year one of this LTP, we propose to initiate new programmes for braided rivers and wetlands. Once established, we will progressively expand these over the course of the ten years.

Biosecurity changes

There are some changes proposed for the funding of pest management. These include consolidating targeted rates (where a specific group pays a rate for a direct benefit) into a single targeted rate across all rural land, and combining the 11 existing Pest Liaison Committees into four Pest Area Committees to provide advice on all pests within their area (currently Pest Liaison Committees focus on production pests using targeted rates).

It is proposed to expand the current Banks Peninsula Community Initiative Programme. A community partnership will be developed to include a wider range of properties (including the Port Hills) and to cover more pests to help protect and enhance biodiversity and align with the vision for a pest-free Banks Peninsula. Your attention is drawn to this in the Revenue and Financing Policy.

Subject to agreement by the Government and landowners, it is proposed that the wilding conifer control programme be expanded from year two of the LTP to cover maintenance of areas previously cleared. This would be jointly funded by Government, general rates and targeted rates on landowners in the Wilding Conifer Control Zone.

There are four programmes in this portfolio:

- Regional Biodiversity
- Braided Rivers
- Wetlands
- Biosecurity.

Hazards, Risk and Resilience

Ensuring our communities have an improved understanding of, and resilience to, natural hazard risk including climate change. This large portfolio has evolved since its introduction in the 2015 LTP. The work recognises that, while it is not possible to keep everyone safe from all hazards, it is possible to mitigate the risks through being well-informed, well-prepared and resilient. Being prepared will help minimise losses and recovery times so that our communities are safer, our environment is protected and our economy can continue to operate, protecting jobs and livelihoods.

In this LTP we have responded to the community's call for increased visibility of our work in climate change adaptation by proposing an additional programme of work in this area.

Natural hazards

Cantabrians are well aware of the potential for natural hazards in our region. The 2016 North Canterbury earthquakes came too soon after the 2010/11 Christchurch quakes, and extreme weather events and rural fires can also be added to our recent experiences. Under the hazards, risk and resilience portfolio our role spans immediate regional civil defence responses to longer-term climate change adaptation.

The Harbourmaster's work

It is not well known that the regional Harbourmaster's Office sits within Environment Canterbury. Our region has two large commercial ports (Whakaraupō/Lyttelton and Timaru) and several harbours including Akaroa and Kaikōura where vessel activity is managed by the Harbourmaster. Recreational boating comes under the Harbourmaster's jurisdiction as does the response to pollution events such as oil spills. Moorings are also managed by the office. It is proposed that activity in the Harbourmaster's Office for this LTP will continue at the same level, within our legislative requirements.

Flood protection

Flood protection and control infrastructure is a big-ticket item in our budget, and it is necessary in order to protect billions of dollars of assets and human lives from the risk of flooding. Our infrastructure strategy outlines how we will manage the \$508 million flood control infrastructure.

In the first three years of the LTP we will complete the ten-year \$40 million Waimakariri Flood Protection programme, with secondary stopbanks being engineered to protect against a 1,000-year flood.

Flood protection advice to territorial authorities regarding housing developments and key infrastructure will continue to be an important part of this portfolio.

Coastal environment hazards

While many would think of tsunami risk when thinking about coastal hazards, slower acting hazards such as sea level rises due to climate change and coastal erosion from storms and weather events are an area of risk also. The economic benefits of Canterbury's two commercial ports in Whakaraupō/Lyttelton and Timaru, as well as from tourism, may be impacted by such hazards, not to mention coastal homes and lifestyle. Our work will continue in this area with the provision of water quality monitoring, marine pollution response, and coastal hazards and science investigation and advice, within and outside the organisation.

Emergency management

Environment Canterbury is home to the region's Civil Defence Emergency Management (CDEM) Group that provides the ongoing training of response teams across all functions (welfare, communications, logistics, for example), as well as taking control in the event of a regional emergency. In this Long-Term Plan provision has been made in the budget to increase expenditure slightly in the first and second years to rebuild reserves impacted by the North Canterbury earthquakes,

commence a review of the Group plan, and undertake the biennial preparedness survey. This expenditure will drop back over time.

Hazardous land and waste

Our Contaminated Land, Hazardous Substances and Waste programme covers consents advice and compliance support for hazardous waste issues such as asbestos, tyre dumping, or chemical disposal. It also covers the identification of potentially contaminated land, for example where previous land use may have involved chemicals that may still be present in the land.

Ongoing work includes the rural waste minimisation project and the waste data report, investigations and monitoring of potentially hazardous areas.

It is proposed that work will continue district-by-district during this Long-Term Plan to identify and classify potentially contaminated land. Timaru district will be assessed and listed in 2018/19.

Climate change integration

In this LTP a new programme of work – Climate Change Integration – is proposed. This programme will make more visible the work that is already part of Environment Canterbury's operations. Feedback from the community has told us that we should make it easier for stakeholders and the public to know what we know

about the potential impacts of climate change and what we are doing to help Canterbury adapt to it, exactly what is proposed for this programme. The programme will provide a point of contact for external agencies and be agile enough to help Environment Canterbury and our stakeholders respond to legislation and the evolving collective understanding of the impacts and implications of climate change in our region.

The seven portfolio programmes are:

- Climate Change Integration
- Natural Hazards
- Navigation and Recreational Boating Safety
- Flood Protection and Control Works
- Coastal Environment and Hazards
- Emergency Management
- Contaminated Land, Hazardous Substances and Waste.

Air Quality

Ensuring the air we breathe supports health and wellbeing.

The air quality in the region continues to improve thanks to the work of individuals and industry to reduce emissions. The returns on the community's investment and collective effort can be seen in fewer high pollution days, lower cost of home heating and greater efficiency in heating. In some places there is still work to do to bring emissions down to the National Environmental Standards for Air Quality targets. In the LTP we propose to continue the steady approach to implementation of the Canterbury Air Plan to reach these targets.

Cleaner home heating

The main source of air pollution continues to be home heating, and we know we are asking some individuals to make changes to their home heating source that costs money that they can't afford to spend in one go. To help with this our draft Revenue and Financing Policy proposes a provision for home heating/insulation loans that can be paid back over nine years through your rates bill. This initiative will be fully cost-recoverable from the borrower so will not impact other ratepayers.

See page 44 for more information.

There are ways to heat your home with cleaner burning fuels, and our officers are focused on education around what you are burning, and how you burn if you have wood as your source of heat, as well as the permissible types of burner. The number one priority over winter is that people are warm and dry in their homes as we work towards the set air quality targets, so at all times we encourage people to talk to us to find out what the options are.

We currently provide an authorisation service for new technology for wood burners with ultra-low emissions and we propose that this will continue.

Non-domestic emissions

Home heating isn't the only cause of airborne pollution. Rural burn-offs contribute during the summer months, and industrial emissions are year-round. Odours, dust and other issues are responded to and in this LTP we propose to continue our work with the rural sector and industry to implement the rules outlined in the Canterbury Air Plan.

Environmental monitoring and progress reporting

We will continue to undertake monitoring and progress reporting for our airsheds (areas where we have monitoring equipment to measure emissions). This enables us to target assistance packages and information to where it is needed. It also means we can

give valuable air quality information to the District Health Boards to inform their work in respiratory health, particularly as the regional population ages.

Our monitoring programme isn't just about home heating – we have scientists and air specialists who monitor for non-domestic emissions to ensure we are tracking towards the air quality targets in the Canterbury Air Plan.

There are three programmes in this portfolio:

- Environmental Monitoring and Progress Reporting
- Cleaner Home Heating
- Non-Domestic Emissions.

Transport and Urban Development

Enabling a resilient, multi-modal transport system for the efficient movement of people and freight into, out of, and within the Canterbury region.

There are three key, interconnected areas of activity (programmes) covered in this portfolio of work. By far the largest by budget is the public transport programme, however urban development and regional transport are important components of our work, and the three components must be tightly integrated to deliver our community outcomes. Your input is specifically sought on a proposed change to the public transport offering – see overleaf for details.

There are three programmes in the Transport and Urban Development portfolio:

- Regional Transport
- Urban Development
- Public Transport.

Regional transport

Many external factors impact the performance of our regional transport system. Factors such as the growth and distribution of the population, the median age of the

population, freight growth, accessibility and cost of different modes of transport, technology, and the use of private on-demand services such as Uber. The rate of change that we are seeing is challenging and calls for integrated and adaptive strategies.

A resilient, multi-modal transport system does much more than move people and goods. It limits the environmental impact of transport; improves social connectedness and wellbeing in communities; supports visitor strategies and tourism; enables a strong economy; and improves road safety. To make this happen requires the integration of the work of many agencies.

Environment Canterbury convenes and chairs the Regional Transport Committee and its associated sub-groups. By statute, the Committee is responsible for the preparation, review and implementation of the Regional Land Transport Plan. During this LTP, we will support the Regional Transport Committee to prepare the Regional Land Transport Plan 2021-31 in accordance with the Land Transport Management Act 2003.

The Regional Transport programme also supports the implementation of the transport workstream of the Mayoral Forum's Canterbury Regional Economic Development Strategy. This work is focused on enabling integrated transport planning and investment including a freight mode-shift from road to rail and shipping; network

resilience; and improving visitor journeys. This work is funded by NZTA grants and rates.

Urban development

The urban centre at the heart of the region is Christchurch. Nearly 500,000 people live in the Greater Christchurch area and much of the region's trade relies on the city in some way.

The Greater Christchurch Partnership comprises councils, Ngāi Tahu and relevant government agencies who provide visible and collaborative local leadership, and plan for future growth and regeneration in the Greater Christchurch area. The partnership is governed and led by the Greater Christchurch Partnership Committee, a joint committee under the Local Government Act 2002.

In this Long-Term Plan Environment Canterbury, through our involvement in the Greater Christchurch Partnership, will contribute to the review and implementation of the Greater Christchurch Urban Development Strategy, as well as support regeneration planning in Greater Christchurch.

In this Long-Term Plan, there will also be an increased focus on giving effect to the National Policy Statement on Urban Development Capacity.

Public transport

Public transport is the largest single part of Environment Canterbury's budget. It covers buses, ferries, and the Total Mobility schemes for people who are unable to access regular bus services. Satisfaction levels by those who take public transport are high, with 97% satisfied or better with the service.

The key objectives for the Long-Term Plan timeframe are to restore the financial position of the network, execute the new Regional Public Transport Plan and ensure new data and ticketing solutions meet the future needs of the network.

The Greater Christchurch Public Transport Joint Committee, with representatives from multiple agencies, oversees the public transport services.

The challenges

The public transport network is still facing challenges resulting from patronage numbers in Christchurch not yet returning to pre-earthquake levels. Levels have returned to around 80% of pre-earthquake numbers. There are many factors that play into patronage rates, such as high car ownership in the region, people living out of town following the earthquakes, bus routes compromised as a result of rebuild work, even the low price of Christchurch city parking. As a result, the programme has been operating with a shortfall of

approximately \$4 million in recent years, with the loss being covered by New Zealand Transport Agency (NZTA) supplementary grants and from reserves. It is no longer possible to operate this way and, without achieving a net positive financial outcome that can be used to support development of a better network, achieving significant patronage growth is unlikely. In order to address the immediate financial position of the public transport network, it is proposed to make changes to routes, fares and/or rates.

Providing a sustainable service

We are not aiming to operate the public transport service at a 'profit' – it is acknowledged that grants from NZTA will be used to support the routes offered in the community. We do, however, need to look at viability of the routes and their service and financial performance. One of our Levels of Service in the current and proposed Long-Term Plan is to have the entire service with approximately 50% or more of the costs covered by user-pays i.e. income from the bus fares. Some of the current individual routes run much lower than this e.g. at 10% or less of the cost of the route being covered by the fares received. This means for some routes ratepayers are subsidising each passenger journey by up to \$20. There are also a small number of routes that run much higher than this, at 70% or more of the cost being covered by fares on that route. Public transport is a key

part of connecting communities and enabling work and social travel, and we welcome submissions not just on the immediate options presented here but also on longer-term innovative solutions for public transport in the region.

We need your feedback on:

OPTION 1: This is Environment Canterbury's preferred option. To resolve the \$4 million shortfall, keep our income aligned with projected inflation, and ensure we have money to invest in the service, we propose that:

We introduce an annual increase in total fare revenue of 2.5% each year for the next three years. This % increase is to total fare revenue and the actual increase to individual fares would vary. Fares may increase from \$0.05 to \$0.15 per trip depending on how this is applied.

We introduce a standing increase in total targeted rates income for public transport services of 2.58% each year. This could mean, for example, if you are paying \$25 of your rates to public transport now, you may be paying \$25.66 in 2018/19.

The maximum Total Mobility subsidy per vehicle trip is reduced from \$35 to \$30. This change would impact 3% of Total Mobility trips, and would ensure continued viability of this important service.

The six lowest performing bus routes are discontinued. Removal of these six routes would save \$2.7 million, with actions 1, 2 and 3 above making up the remaining \$1.3 million.

The six lowest performing routes are:

- 107 Styx Mill - Northlands
- 108 Casebrook - Northlands
- 135 Burwood Hospital - New Brighton
- 145 Westmorland - Eastgate
- 150 The Palms - Spencerville
- 535 Eastgate - Lyttelton and Rapaki

The 'free transfer window' of four hours on the Timaru network be reduced to two hours. Given the size and travel time in the Timaru network this would not adversely affect the majority of transfer customers.

OPTION 2: It is possible to achieve the \$4 million required through different fare and rate increases. Option 2 would see the same six routes discontinued, and the Total Mobility subsidy cap reduced to \$30, but by increasing targeted rates by 3.64% each year it would be possible to achieve the required savings without increasing fares. This does mean that fares would not be rising with inflation and that we would be

keeping them artificially low, but it would alleviate any impact of fare increases in the short-term.

OPTION 3: Another option would be to increase fares by 5% in the first year (2018/19) and by 2.5% each year thereafter – and apply a 1.51% increase to rates. This option would also see the under-performing bus routes discontinued and the Total Mobility subsidy cap reduced to \$30.

We recognise that in any scenario there will be people affected by the proposed changes. We are looking for the right balance so that we can maintain a sustainable service for the majority of users at the best value. Your feedback is invited via the submission process outlined on page 54.

Revenue and Financing Policy

When setting rates and charges for our work, Environment Canterbury needs to balance what is affordable for the community and who should pay for which areas of activity, with the action required to achieve the community outcomes.

We aim to operate a balanced budget, where operating expenditure is covered by operating revenue. Operating expenditure is based on what we expect to spend to deliver the Levels of Service outlined in the full LTP document.

Where possible, expenditure is fully or partially funded by those who directly benefit from that expenditure, through user-pays (e.g. bus fares), or, if a project has national benefits, through central government grants. Expenditure not funded by grants or user-pays, is funded through rates – either general or targeted.

Our Revenue and Financing Policy outlines how we will manage the funds we receive to pay for activities, and the financial tools that will be available to the Council to prudently manage those funds.

We have combined the consultation on our Revenue and Financing Policy with the Long-Term Plan for ease of understanding, to link the finances and proposed activity together. These pages of this document

constitute the 'statement of proposal' for our Revenue and Financing Policy as required under section 82A of the Local Government Act.

The full draft policy is available on our website for you to give feedback on alongside, or independently of, your feedback on the Long-Term Plan. You may notice that it looks a little different from the last version (in the Long-Term Plan 2015-25) – we have simplified the format to make it clearer.

Council has considered funding options using the guiding principles stated in the Revenue and Financing Policy and the preferred funding approach is outlined in the Revenue and Financing Policy presented in the Long-Term Plan 2018-28. In the full draft policy (available at www.ecan.govt.nz) there are a few new items, that we draw your attention to here.

Your rates

On the portfolio pages of this document we refer to the different sources of funding: targeted rates, general rates, user-pays, and grants. These terms are explained in the Revenue and Financing Policy in the full Long-Term Plan 2018-28 document (available online). In summary, all property owners in Canterbury pay 'rates'. General rates are charged based on the capital value of your property and the location. Targeted rates are charged where there is a specific benefit to the

property owner. Grants are received from other agencies, for example the significant income from NZTA for the public transport system.

In this LTP it is proposed to increase the total income from rates by 4.5% each year for the first three years. Some of this increase allows for inflation. The remainder allows for development of work programmes as outlined in the Long-Term Plan and summarised in this document. In the last few years we have been able to keep the rates increases low by prudently using reserves. We have a policy that sets the level of reserves that Council holds for different areas of activity and reserves are used and topped up again according to need. Every effort has been made to keep the rates increase as low as possible while also restoring reserves to policy level and delivering the work programmes. Some reserves will be below policy level for the first couple of years as they are built back up.

The 4.5% increase does not mean that every property's rates will increase by exactly 4.5% - the percentage is the increase in total rates collected.

We have capped the rates increase at 4.5% for the first three years of the plan. This will be achieved by the use of reserves, which is why there is a small deficit in the 2018/19 year. Council has resolved that it is financially prudent to use reserves in this way, so that we can

achieve the levels of service proposed in the Long-Term Plan.

Healthier Homes Canterbury

Keeping people warm in their homes is a key priority while implementing the new Air Plan to reach the nationally-set targets for clean air. Reaching the clean air targets for the benefit of wider community health can sometimes put individuals in a position where they need to upgrade their home heating source to comply but they are unable to due to finances.

Council has proposed an initiative to enable a ratepayer to borrow the funds to complete home heating/insulation upgrades, and make repayments via their rates bill. It is a user-pays initiative that will not add to the general ratepayers' costs. There are a number of benefits from making this available to those who want to do the right thing and get their home warm and dry, and comply with the clean air rules: reduced heating costs for the homeowner, warmer homes, reduced greenhouse gas emissions, reduced airborne pollutants, healthier homes and healthier people.

By numbers: it is proposed that the initiative allows for up to \$3 million per year to be lent to ratepayers (maximum \$6,000 each) to pay for home heating and insulation. The loan can be repaid with your rates bill over a maximum of nine years. Up to a total of \$20

million could be borrowed by Environment Canterbury and lent to ratepayers under this programme. Details for potential borrowers are available on our website www.ecan.govt.nz.

Pest control rates

There are some changes proposed for the funding of pest management. These include consolidating targeted rates (where a specific group pays a rate for a direct benefit) into a single targeted rate across all rural land; and combining the 11 existing Pest Liaison Committees into four Pest Area Committees to provide advice on all pests within their area (currently Pest Liaison Committees focus on production pests using targeted rates). The rating approach proposed is for 50% through a general rate contribution and 50% to come via a targeted rate (based on 50% land value and 50% land area).

It is also proposed that in year 1 of the LTP we will develop a community partnership aimed at enhancing biodiversity on Banks Peninsula and, in years 2 and 3 of the LTP, we propose to extend the targeted rate to a wider range of properties (including the Port Hills) to enable greater control of a wider range of pests on Banks Peninsula. Additional funding has been budgeted in year 1 to develop the partnership and work programmes to be undertaken.

Uniform Annual General Charge

A Uniform Annual General Charge (UAGC) is like a general rate i.e. it is charged to all ratepayers, but it is the same for everyone rather than being based on the capital value of your property. Charges for a number of our activities are already made through our UAGC. In the Revenue and Financing Policy, it is proposed that Recreational Boating Safety work will be added to the UAGC currently charged i.e. all ratepayers will contribute equally.

Paying for freshwater management

Freshwater Management is one of two strategic priorities for Environment Canterbury. There is a Canterbury Water Management Strategy targeted rate levied on all ratepayers across the region – the rate is ‘targeted’ in that the money can only be used for Canterbury Water Management Strategy work. In the draft Revenue and Financing Policy this rate has become a general rate to enable funds to be used across freshwater management work. In the Policy, we have also made it possible for a rate to be charged in just one or more water ‘zone’ (see page 16) when the benefits will only be felt in that zone.

Relevant strategies

Environment Canterbury’s Financial Strategy 2018-28 can be found in the full Long-Term Plan 2018-28

document on www.ecan.govt.nz. This strategy outlines how we will manage our finances and the considerations taken into account when forming the LTP. In summary, we aim to maximise return on the investments we have, minimise risk, hold reserves at our policy level, and keep rates affordable.

There are no significant changes proposed to this strategy, and full details are provided in the full Long-Term Plan document.

The 30-year Infrastructure Strategy (2018-48) for flood protection and control works, identifies potential issues in the next 30 years with respect to infrastructure, and outlines the mechanisms for managing decisions around these. This strategy notes that the level of new infrastructure required is initially small but is likely to grow towards 2048 as climate change effects start to become more significant. Infrastructure maintenance is separate to new infrastructure and does have costs associated with it.

The Infrastructure Strategy outlines the plan for our single asset category of Flood Protection. There are no significant changes from the current (2015-25) Long-Term Plan.

How We Are Funded

Income can be in the form of user-pays, rates or grants. The sources of funding proposed for the Long-Term Plan 2018-28 are noted on our website. As an example, in year one (2018/19) the breakdown is proposed as follows:

- General rates – 37%
- Targeted rates – 23%
- Grants – 18%
- User-Pays and Other – 22%

Note: 'other' includes investment income of 0.49%

Your rates

On our website there is a table showing examples of 2018/19 rates for selected properties across Canterbury. Not all districts are represented in the table of examples, it is provided to give indicative numbers. A full table is available in the full Long-Term Plan document on www.ecan.govt.nz. Your actual rates may differ from those shown as rates are based on where you live, the capital value of your property, and the mix of general and targeted rates for your property location. For more information about how we calculate rates, please refer to www.ecan.govt.nz/rates.

Expected Expenditure

Expected expenditure is budgeted by portfolio, and by programme within each portfolio, as noted on the portfolio pages of this document.

The percentages do vary year-on-year and the anticipated expenditure breakdown proposed for year one (2018/19) is:

- Transport and Urban Development – 41% (\$70.2m)
- Biodiversity and Biosecurity – 6% (\$9.5m)
- Freshwater Management – 19% (\$31.2m)
- Hazards, Risk and Resilience – 15% (\$25.2m)
- Air Quality – 2% (\$3.9m)
- Regional Leadership – 17% (\$27.7m)

Rates (increases) affordability

Council plans rates increases each year within the quantified limit on rates increases contained in the Financial Strategy 2018-28 included in the Long-Term Plan. The quantified limit is 5% per annum plus any growth in rating base which occurs subsequent to setting the rating fraction.

Rates increases have been capped at 4.5% in each of the first three years, reducing in years 4 and 5 until we reach our target of matching the Local Government inflation rates in years 6 to 10.

Rates (income) affordability

Council plans rates income within a quantified limit on rates contained in the Financial Strategy included in the Long-Term Plan. The quantified limit on total rates is that they will not exceed 70% of total revenue in any given year.

Debt affordability benchmark

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

Council's planned debt is within the quantified limit on borrowing contained in the Financial Strategy included in the Long-Term Plan. The quantified limit is 175% of total rates revenue.

Expected level of debt

The expected level of debt is required mainly to fund the construction of the Waimakariri flood protection scheme, and Environment Canterbury's Tuam Street offices, with \$20M for Healthier Homes Canterbury over this LTP period.

Canterbury and your Regional Council

Our purpose and community outcomes

Facilitating sustainable development for the Canterbury region

Te huawaere i te kauneke tauwhiro i Waitaha

We do this so:

- We can all breathe clear air, play and swim in the rivers, gather mahinga kai, benefit from the productive use of our land, and enjoy Canterbury's unique biodiversity taonga and landscapes.
- We can live, travel, and move goods with ease, within and to/from the region, facilitating work, leisure and tourism.
- We have access to the information we need to be resilient in the face of short-term hazards and well-prepared for longer-term change to our region's natural environment.
- We can all help shape the future of Canterbury, leaving a legacy for generations to come.

What is unique about Canterbury?

There is no doubt that this region has much to offer its people, from mahinga kai to low unemployment, a thriving 'heart' in the new Christchurch to braided river

ecosystems seen nowhere else in the world. The challenge is ensuring we can evolve while holding on to what is important to Cantabrians.

We have a diverse environment, ki uta ki tai: from the mountains to the sea. Huge braided alpine rivers, large lakes, the spartan landscape of the Mackenzie district to the green agricultural land on the Canterbury Plains – and everything in between. We have two commercial ports, beaches and seaside towns, three regional parks, urban centres and large agricultural areas.

Cantabrians are no strangers to natural disasters and weather events. More extreme and more regular El Nino events are predicted over the next 10-15 years. Climate change modelling suggests that by 2090 Canterbury will have increased temperatures and will be windier, with decreases in frosts, rainfall and snow. Risks include rising sea levels.

We have a strong, largely agriculture-based economy that we benefit from as a region. The rural sector is now operating within much stricter rules to protect the environment, to bring about a change to the quality of our waterways and biodiversity outcomes, while working to maintain the regional economic benefits.

The Financial Strategy 2018-28 and the 30-year Infrastructure Policy for 2018-48 both outline in detail some of the key social, economic, cultural and

environmental drivers that have been taken into account when developing this Long-Term Plan.

We look forward to receiving your feedback.

Your council

The Environment Canterbury Councillors who have developed the draft Long-Term Plan 2018-28 are:

- Steve Lowndes – Chair
- Peter J Scott – Deputy Chair
- Hon David Caygill, CNZM
- Iaeen Cranwell
- Rod Cullinane
- Elizabeth Cunningham
- Tom Lambie, ONZM
- Claire McKay
- Lan Pham
- Dr Cynthia Roberts
- Professor Peter Skelton, CNZM
- John Sunckell.

How to make a submission

This Consultation Document outlines the areas of activity in the Long-Term Plan 2018-28 in summary form, and specifically invites your feedback on the whole plan and on the Public Transport options (see pages 38 and 40), as well as the detail in the Revenue and Financing Policy and the associated Financial Strategy and 30-year Infrastructure Strategy.

You can make comment on as much or as little of the plan and strategies as you wish. There are a number of ways to give your feedback.

Timing

Formal consultation runs from Monday 26 February 2018 until 5pm on Monday 26 March 2018. Councillors will then consider the feedback received and, if you have indicated in your submission that you would like to present to Council in person, you will be invited to attend a hearing with Councillors between 30 April and 2 May.

Publishing of submissions

We are not able to accept your submission without a name and address. You are, however, able to indicate in your submission if you do not wish your name to be made public. All submissions are public documents and copies and/or a summary will be published on our website.

Format

There are several ways to make a submission:

Via the online form – this is the quickest and easiest way to make a submission. Simply go to www.ecan.govt.nz/haveyoursay and follow the online prompts. Your submission will be automatically collated into the feedback. You are able to indicate if you wish to speak to Councillors in support of your submission.

By email to mailroom@ecan.govt.nz – please ensure you use ‘LTP SUBMISSION’ as your email subject and that your name and address is included. If you wish to attend a hearing, please indicate this in your email.

By video – it is possible to provide a verbal submission via video. You will need to state your name and address (and organisation you are submitting on behalf of if that is the case). Videos can be uploaded through the online submission process or delivered on a memory stick to the address below.

Hard copy – you can request a paper submission form or download a form from our website to complete and return by post to the address below, or in person.

Address for video or paper-based submissions

Delivered or posted submissions to:

Freepost 1201
Environment Canterbury
PO Box 345
CHRISTCHURCH 8140

200 Tuam Street, Christchurch
(8.30am to 5.00pm Monday to Friday)

75 Church Street, Timaru
(8.30am to 5.00pm Monday to Friday).

**Thank you for taking the time to engage with our
Long-Term Plan 2018-28.**