
ORDINARY MEETING

OF

WELLINGTON CITY COUNCIL

SUPPLEMENTARY AGENDA

Time: 9.15am
Date: Wednesday, 24 June 2015
Venue: Committee Room 1
Ground Floor, Council Offices
101 Wakefield Street
Wellington

Business	Page No.
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3.1 Adoption of the 2015-25 Long-term Plan Presented by Mayor Wade-Brown	3

3. General Business

ADOPTION OF THE 2015-25 LONG-TERM PLAN

Purpose

1. This report provides for the adoption of the 2015-25 Long-term Plan with decisions and recommendations of the Governance, Finance and Planning Committee of 26-28 May 2015.

Summary

The process

2. The Council's 2015-25 Long-term Plan is provided for adoption. This follows:
 - preparatory work including an early engagement process
 - a special consultative procedure in March and April 2015
 - oral hearings 5-12 May 2015
 - Governance, Finance and Planning Committee deliberations on community feedback from 26-28 May 2015; and
 - consideration of recommendations /decisions on the long-term plan.

Audit review

3. Since the 26-28 May 2015 Governance, Finance and Planning Committee deliberations, Audit New Zealand has completed its audit work. The Council has received feedback from Audit New Zealand and no substantive issues were raised which could impact on the audit opinion. Audit New Zealand expects to provide an unqualified audit opinion at this meeting of the Council.

Recommendations

That the Council:

1. Receive the information.
2. Note that the Governance, Finance and Planning Committee considered the issues raised in written and oral submissions at its meeting of 26-28 May 2015.
3. Note that the 2015-25 Long-term Plan (attached as Attachment 1) has been prepared based on the decisions and recommendations of the Governance, Finance and Planning Committee meetings of 26-28 May 2015 and 11 June 2015 following the special consultative procedure, and with all changes from the draft being highlighted.
4. Agree the three-year Waterfront Development Plan as included in the 2015-25 Long-term Plan.
5. Agree the changes to the fees and charges as outlined in the appendices of the 2015-25 Long-term Plan (attached as Attachment 1) and note these will come into effect on 1 July 2015.
6. Agree the project and programme budgets (attached in Attachment 1, Volume 1, Part D page number 257) and note that these are reflected in the activity budgets provided in the 2015-25 Long-term Plan.
7. Agree that, having regard to the requirements of section 100 of the Local Government

Act 2002, the Council's forecasting assumptions and Revenue and Financing Policy, it is financially prudent not to set a level of operating revenue that meets the projected operating expenses of Council.

8. Agree the Revenue and Financing Policy as attached in Attachment 2 ,Volume 2 from pages 3 to 96.
9. Agree that for 2015-25, it is financially prudent to forecast a surplus of \$23.1 million,

TOTAL SURPLUS	23,101
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Represented by:

NZTA Transport funded projects	(7,843)
General	(834)
Clearwater sewerage treatment plant	(2,955)
Decommissioned Living Earth joint venture plant	(198)
Wellington Waterfront Limited Depreciation	(3,654)

TOTAL EXPENDITURE NOT FUNDED UNDER SECTION 100 OF LGA	(15,483)
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REVENUE RECEIVED FOR CAPITAL PURPOSES

NZTA capital funding	12,668
Ring-fenced Housing capital grant and surplus	17,731
Development contributions	2,000
Bequests, trust and other external funding	2,690

TOTAL REVENUE RECEIVED FOR CAPITAL PURPOSES	35,090
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ITEMS FUNDED FROM PRIOR YEAR SURPLUSES

Economic Development Fund	(3,000)
Lyall Bay operational grant	(350)

TOTAL ITEMS FUNDED FROM PRIOR YEAR SURPLUS	(3,350)
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ADDITIONAL ITEMS

Weathertight Homes funding	6,661
ICT Infrastructure project	(2,880)
Alex Moore Park	(108)
Odyssey	(1,079)
Reserves purchases and development fund	(39)
Unrealised fair value adjustment for loans and receivables	624
Fair value movement on investment property revaluation	3,665

TOTAL ADDITIONAL ITEMS	6,844
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BALANCED BUDGET UNDER SECTION 100 OF LGA	0
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10. Agree new borrowings of up to \$41.4 million to fund capital expenditure and investment (including forecast carried forward capital expenditure) and loans for the 2015/16 year.
11. Agree that the general rate differential for 2015/16 be set at a level where commercial, industrial and business properties pay 2.8 times the amount of general rate per dollar of capital value than properties incorporated in the Base (residential) differential.

12. Agree to include in the 2015-25 Long-term Plan, a targeted rate totalling \$20,000 + GST to be applied to the commercial rated properties in the Khandallah Business Improvement District Area.
13. Adopt the 2015-25 Long-term Plan (as attached in Attachment1) including:
 - a. Community outcomes and three year priorities
 - b. Groups of activities: activity statements on the intended levels of service for activities grouped by the Council's seven activity areas
 - c. Outcome indicators and performance measures
 - d. An outline of the steps the Council intends taking to develop Māori capacity to contribute to decision-making processes
 - e. A schedule covering the nature and scope of the activities of the Council's Council-Controlled Organisations
 - f. A schedule of changes to fees and charges
 - g. Financial Strategy
 - h. Infrastructure Strategy
 - i. Forecast Financial Statements
 - j. Funding Impact Statement
 - k. Statement concerning the balancing of the budget
 - l. Funding and Financial Policies (Revenue and Financing Policy, Investment and Liability Management Policy, Rates Remission Policy, Rates Postponement Policy)
 - m. Statement of Significant Forecasting Assumptions
 - n. Significance and Engagement Policy.
14. Note an index and glossary will be added to the 2015-25 Long-term Plan document before it is published.
15. Note that having adopted the 2015-25 Long-term Plan (including the 2015-25 Funding Impact Statement), the rates for the year commencing on 1 July 2015 and concluding on 30 June 2016 will need to be set by Council in accordance with section 23 of the Local Government (Rating) Act 2002, as outlined in the 2015-16 Rates Setting paper.
16. Delegate to the Chief Executive and the Mayor the authority to make any editorial changes that may arise as part of the publication process, and any changes that occur as a result of decisions made at this Council meeting of 24 June 2015.

Attachments

- Attachment 1. 2015-2025 Long-term Plan Volume 1 Our Plan Page 9
Attachment 2. 2015-2025 Long-term Plan Volume 2 Policies Page 291

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Authoriser	Andy Matthews, Chief Financial Officer

SUPPORTING INFORMATION

Consultation and Engagement

Extensive consultation has taken place during the development of this Long-term Plan. This included

- preparatory work including an early engagement process
- a special consultative procedure in March and April 2015
- oral hearings 5-12 May 2015.

Treaty of Waitangi considerations

Local Iwi have been consulted directly and indirectly throughout the development of the Long-term Plan.

Financial implications

The Long-term Plan sets out the Financial Strategy of Council for the next ten years (to be reviewed 3 yearly), the Infrastructure Strategy and the financial implications of asset management planning for the next 30+ years. It also includes the Councils service and activity budgets for the next 10 years.

Policy and legislative implications

The Long-term Plan contains the Councils Funding and Financial Policies (with the exception of Development Contributions) and the significance and Engagement policy. The budgets, plans activities, services and work programmes are developed alongside and in compliance with these policies.

Risks / legal

Significant forecasting assumptions and risks are explained within the plan.

Climate Change impact and considerations

Climate change considerations and responses are included within the plan mainly under the Environment group of activities.

Communications Plan

Extensive consultation has taken place during the development of this Long-term Plan.

Volume 1

Our ten year plan

WELLINGTON CITY COUNCIL'S
LONG TERM PLAN 2015-25.

He pai te tirohanga ki ngā mahara mō ngā rā pahemo engari ka
puta te māramatanga i runga i te titiro whakamua.

It's fine to have recollections of the past but wisdom comes from being able to prepare
opportunities for the future.

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This document is part of our draft ten year plan. It sets out our activities, associated performance measures, and the budgets for our capital and operating projects and programmes.

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Item 3.1 Attachment 1

Draft subject to change

Part A

Introduction

Draft subject to change

Message from the Mayor

He pai te tirohanga ki ngā mahara mō ngā rā pahemo engari ka puta te māramatanga i runga i te titiro whakamua.

It's fine to have recollections of the past but wisdom comes from being able to prepare opportunities for the future.

Wellington City plan looks to the future

This is a bold plan unlike any other in the history of Wellington City Council. We are building on our strengths as a city, our stunning natural environment, our quirky, built heritage and welcoming attitude, our creativity, business innovation, a shared delight in success, and support for the most vulnerable.

We will contribute more to the council's core services while also investing hundreds of millions of dollars in new projects that will cement our place as the 'coolest little capital in the world'

We have kept our rating promise of no more than a 4.5 percent average rates increase per year for the first three years, and less than 3.9 percent over the whole decade.

Wellington stands at the heart of the Pacific and is the southern-most capital in the world. We are the 'place of the possible,' a Smart Capital, the Capital of the Arts and the walkable Capital.

This ambitious city plan sets out actions that will shape the future of our city, build economic success, and implement the recently agreed plans for Urban Growth and Biodiversity.

We are investing in the ongoing prosperity of our communities and their wellbeing. This plan builds on the many actions taken in the last few years toward creating a smart, resilient, and inclusive Capital.

Council will work with many partners, including other councils and local authorities, business, Central Government, NGOs, education, international institutes, and our marvellous volunteers who are so important to the functioning of our city.

We have read and listened to hundreds of submissions, heard staff advice, and debated the best way for Wellington to reach its full potential. Several changes, such as further increases to Arts and Community facilities, have been made in response.

This is a plan for all Wellingtonians. Thank you for your input! Let's get on with it!

Celia Wade-Brown
Mayor of Wellington

Message from the Chief Executive

Now, more than ever before, cities compete. They compete for investment and talent and the flow on benefits that those bring. In recent times, we haven't been as competitive as we could in some areas, and this *Long Term Plan* addresses that.

The plan provides a basis for sound, sustainable growth of the City and will allow it to develop to its full potential.

Our growth agenda that we consulted on received strong support from the community, so we've got a mandate for pushing on.

We've still got work to do, including more conversations with the community on the detail, but we've now set a course for growth. The challenge now is to implement our plan. We'll be working closely with Central Government and the commercial sector to make these projects happen over the next 10 years – to ensure Wellington has a prosperous future and a quality of life to match.

We shouldn't forget that in many areas Wellington is already world-leading and this plan reinforces our position in these areas. We're putting extra money into events to reaffirm our status as the events capital and we're further strengthening our environmental and social credentials because it's the right thing to do and it's what the community expects. We're not cutting any of our services and in many areas we're investing more and improving levels of service. This has been achieved within a very prudential financial envelope.

This 10-year plan is no ordinary council LTP. This one is unprecedented at Wellington City Council. It delivers mandatory core services – the environmental and social agenda – but it also includes a substantial economic investment programme. The council has never before invested in the economy on this scale. The aim is to transform the city – and it will undoubtedly do that.

So I'm proud to deliver this bold plan to the people of Wellington.

Kevin Lavery
CEO of Wellington City Council

Our Role and Responsibilities

Under the Local Government Act 2002, our purpose is to:

- Enable democratic local decision-making and action by, and on behalf of, Wellingtonians
- Meet the current and future needs of Wellington residents for good quality local infrastructure, local public services, and performance of regulatory functions in the most cost-effective way for households and businesses.

The Wellington City Council is made up of 15 elected representatives – the mayor and 14 councillors.

It's their job to make bylaws, set the city's overall strategic direction, approve budgets, policies and plans aimed at achieving that direction. Part of their role is to listen and take the pulse of the community before making decisions. The mayor and councillors are supported in their role by two Community Boards.

The elected representatives are supported by the Council's chief executive and Council officers, whom provide advice, implement Council decisions, and look after the city's day-to-day operations.

Our vision, role and activities

Our vision for the city Wellington Towards 2040: Smart Capital sets out our aim to grow and sustain Wellington as an inclusive place where talent wants to live. Our vision is supported by the community outcomes that set out our long-term goals and guide our activities (see page 25):

- Connected city
- People-centred city
- Eco-city
- Dynamic central city

We deliver core services to meet the needs of Wellington residents including:

- Water, wastewater, stormwater and transport network infrastructure
- Waste collection and disposal
- Libraries, museums, reserves and other recreational facilities and community amenities.

We also deliver services and initiatives to grow the city's economy and enhance Wellingtonians quality of life.

Our work is structured around seven activity areas against which we measure our performance.

They are:

- Governance – delivering trust and confidence in decision making.
- Environment – protecting and enhancing Wellington's environment.
- Economic Development – promoting the city's competitive advantages to enhance quality of life.
- Cultural Wellbeing – reflecting and shaping Wellington's unique cultural identity.
- Social and Recreation – sustaining safe, resilient and healthy communities.
- Urban Development – preserving Wellington as a compact, vibrant and attractive city.
- Transport – delivering an efficient and safe transport system that connects people and places.

Accountability

Every three years, we publish a Long-term Plan setting out our intentions for the decade ahead – what we'll do, how we'll do it, how much we'll spend, who will pay, the levels of service we'll provide, and how we'll measure the quality and effectiveness of our work. Our last Long-term Plan was adopted in June 2012.

In-between these Long-term Plans, we take a fresh look each year at our work programme, consider whether any changes are needed, and publish an annual plan setting out changes to the Long-term Plan.

Before we adopt Long-term Plans and Annual Plans, we seek Wellingtonians' views. The consultation process we undertook for this plan and the key changes made as a result are outlined on pages 8

Every year, we publish an Annual Report, which sets out our performance against the Long-term Plan or Annual Plan for the year. Did we do all we said we'd do? Did we meet our budgets? Did we perform as expected? Did we contribute to improvements in the overall well-being of Wellington and its residents?

We are also required to produce a pre-election report before each local body election. This report summarises major projects planned for the following three years and financial information, including a statement that compares rates, rate increases, and borrowing with the quantified limits specified in our financial strategy.

These reports are made available on our website as well as through our libraries and service centres.

Consultation process

How we communicated and engaged

The following tools and techniques were used to communicate the draft Long-term Plan – and capture feedback – from stakeholders and the wider community. The consultation ran from 13 March through to 17 April 2015.

Consultation document

In accordance with amendments to the Local Government Act 2002, a 'stand-alone' consultation document was prepared that highlighted the major matters for consultation. This was made available online, in our libraries and in the council service centre.

The draft Long-term Plan, activity statements and associated strategies and policies were made available on council's website and selected libraries in accordance with the requirements of legislation.

How we engaged

The Council engaged in the following ways with residents and ratepayers of Wellington:

- *LTP launch* at the City Gallery to around 50 stakeholders, entrepreneurs and ratepayers and special interest group representatives.
- A purpose built *consultation website* that highlighted the 28 major matters for consultation, and captured both quantitative and qualitative feedback in a highly interactive way – it encouraged participants to engage with each other rather than simply state their position to council.

- The Council utilised several *media channels* to raise awareness and encourage engagement with the draft Long-term Plan. Traditional print media included the Wellingtonian, Dominion Post, Cook Strait News and Independent Herald between mid-March and early April. Additional advertising was carried out through council's *social media channels*.
- *Ward meetings and special interest group meetings* were held with the Mayor and local councillors presenting the key issues of the draft Long-term Plan to residents and ratepayers. In addition to these, the Mayor also hosted a business breakfast to introduce the Consultation Document to Wellington's business sector.
- The Chief Executive has had numerous engagements with the Business sector on our Long-term Plan.
- The Council also held two *virtual meetings* which brought Councillors and Council officers together into a room to answer questions as they came through on Twitter and Facebook.

All of these contributed to record number of interactions with residents and ratepayers.

Submissions

The Council received 1017 formal submissions – 597 by email, 232 online, and 188 through the mail, with a total of 6,961 individual comments recorded from those submissions across a wide variety of topics. The website had 12,872 visits from 7,568 people with 2,191 comments

Oral hearings were carried out over a five day period and 164 submitters were heard.

Part B

Our plan

Draft subject to change

Summary of our plan

More people today, than at any other time in history, have a choice about where they live. That's why we need to invest.

Cities like Wellington compete on the global stage. We compete with other city regions to attract people, students, jobs, businesses, trade and investment. Other cities invest in their offering, and without ongoing investment and improvements to the city we lose our comparative advantage as an attractive place for skilled migrants and businesses.

Cities flourish and decline depending on the investment decision they make and how they develop over time – and this Long-term Plan outlines a strong investment programme that will position Wellington and its communities for a stronger and more prosperous future.

We have a strong history of investing in the city to benefit the community

In the last ten years, the Council has invested in city infrastructure and services for the community.

While the key spending priority has been infrastructure, there have been big increases in spending on community sport and recreation facilities, tourism promotion and events.

In the coming years, we are continuing to focus on strong, resilient infrastructure, but we will also invest for economic growth by establishing a programme of major projects and working in partnership with the private sector, Government and others in the region.

By focusing investment in this way, we can:

- Retain our high quality of life and excellent services
- Achieve a real transformation of Wellington's economy, create opportunities for future investment, jobs for our people and improved quality of life.

We will invest to maintain and improve existing services

Our Long-term Plan maintains essential services for the city such as water supply, drainage, waste, parks and gardens, libraries, pools, sportsfields, recreation centres, streets and social housing. It also includes upgrades and renewals to key facilities where there is a need.

One important area of focus will be on making infrastructure more resilient and better able to cope with environmental shocks such as earthquakes and the impact of climate change.

We will also be working with others over the coming years to make the city's transport system more efficient by prioritising public transport, investing in new cycleways and walkways, and reducing bottlenecks on the road network.

We are broadly maintaining existing levels of service for pools, recreation centres, sportsfields and other Council-funded facilities. Our focus is on accommodating demand within existing facilities

where possible – we want to make use of the capacity in the community facilities we have already invested in, before we face the expense of adding more. In line with this broad strategy, we have allocated additional funding to support school pools in their operations to ensure they are of a good standard and well-utilised by the community.

We will also continue to work- and have allocated additional resources – to end homelessness and to include the most vulnerable citizens in city life.

The work programme to maintain and improve existing services also includes the following specific projects:

- Redevelopment of Frank Kitts Park with the inclusion of a Chinese Garden and new playground
- Funding for the creation of an Ocean Exploration Centre on the south coast subject to funding from third parties
- An urban activation fund that will see pop-up events make use of the existing open spaces around the city
- A brand new library in Johnsonville to serve the growing northern area
- A hydraulic model of the city to guide our future investment decisions for stormwater and sewerage including climate change adaptation and to improve the performance of the network and quality of our waterways
- Additional funding to implement the Biodiversity Strategy including more funding for pest control, plantings, research and partnerships to boost our Green Open spaces
- A new hockey turf at the National Stadium and rejuvenation of the Basin Reserve
- Additional funding to complete the scope of the LED lighting project that will lower energy use and costs of street lighting and signals
- Additional funding for heritage building strengthening work over the next three years
- Lifting the wage of the lowest paid staff at the Zoo and Museums Trusts as part of work force development. We have also agreed to consider applying the Living Wage to external contracts on a case-by-case basis
- Increased funding to the Arts so 2015/25 will truly be a Decade- of- Culture. Funding has been allocated to: revitalise the Town Hall and Civic Precinct focussed on musical performance and education, strengthen St James, more funding support for Circa, the New Zealand Ballet Orchestra Wellington, the New Zealand Festival and an increase to the contestable grants and our ongoing commitment to Toi Pōneke and public art
- An increase to our social and recreation grants fund over the next ten years.
-

We will invest to grow our offering as a city

Though Wellington offers outstanding quality of life, its economy has considerable untapped potential.

A stronger economy means jobs, prosperity and more opportunities for all Wellington residents. Economic growth isn't only about business profits - though they are important- it is about providing opportunities for everybody.

Growing the city's economy is about:

- Making all residents more prosperous, so they can reach their potential and live enjoyable and fulfilling lives

- Attracting new skilled migrants to live, work and establish businesses in the city
- Providing a wider range of opportunities so residents have a choice of jobs, creative or business opportunities
- Providing more entertainment and leisure opportunities and a wider range of attractions
- Releasing capital to invest in higher quality of life for all and a stronger environment and increasing the city's capital value. A bigger rating base means the costs of rates are spread across more people, making them more affordable.

The Long-term Plan provides capacity for us to invest with others in a range of initiatives to stimulate economic growth in the city. We have made a start with funding support for the establishment of a tech hub to help ICT start-ups to get established, collaborate with other businesses and become successful exporters. In addition to that, we have set aside funding to explore and deliver the following economic opportunities

- An extension to the Wellington International Airport runway to allow for direct connections to Asia and to bring extra visitors, students and economic benefits
 - A new international film museum to showcase talent and attract and encourage visitors to stay in the city for longer
 - A large scale performance arena to fill a gap in our current offering and draw in larger concerts and more visitors
 - An urban development agency to support the creation of vibrant, mixed-use inner city neighbourhoods
 - Major urban regeneration projects to stimulate the supply of housing, with the northern part of Adelaide Road and the blocks along Kent and Cambridge Terrace in Te Aro as priorities.
 - An expansion of our arts and events programme including the New Zealand Festival
- A contribution to the WW1 commemorative exhibition and capital provision to support a permanent museum.

The city is humanity's laboratory, where people flock to dream, create, build, and rebuild." – Edward L. Glaeser

Funding allocation to support our 'invest for growth' approach

The major projects outlined in this ten year plan are at different stages of development. Some are in preliminary stages while others require resource management approval before they progress to the next stage, while others will aim to attract third party funding commitments.

It is our intention to deliver all of these and that is why we have set aside preliminary budgets for each of these projects – we want to be transparent about the potential costs and show the city's capacity to fund them.

Detailed business cases will be developed for each of the projects in due course and these will set out the full costs and funding options. Further consultation will then happen before final decisions are made.

At this stage we have set aside a funding envelope of \$267 million. \$90 million of that has been signalled for investment in the extension of the Wellington airport runway. We plan to service this funding commitment through grant funding so the \$90 million is not included within capital expenditure.

Draft subject to change

Summary of our financial approach

The Council's strong financial position means we can afford to invest in growth. Wellington City Council has an AA credit rating – the same as the New Zealand Government.

We have far less debt than most local authorities. All up, our debt levels are currently less than 100% of our annual income; that's the equivalent of a household earning \$50,000 a year and having a mortgage of less than \$50,000. We also hold significant investments in Wellington International Airport and a central city ground lease portfolio. Their value is similar to our level of debt.

Our strong financial position means we can afford to invest in projects that will support economic growth. In the short term, this will require modest increases in debt and rates. In the long term, rates increases should become lower due to growth in business activity, business numbers, and overall population.

Impact of invest for growth approach

3.9%

Rates increases will be limited to 3.9% on average after growth annually over the next ten years.

And by 4.5% annually, on average, over the next three years

175%

Council debt will be capped at a maximum of 175% of annual income – the same as a household earning \$50,000 a year having a mortgage of \$87,500.

We've sharpened our financial approach

We've created headroom to allow us to deliver the programme within prudential limits. The key steps to ensure a sustainable financial approach include:

- Rebalancing our spending investment between key strategic areas
- Identifying areas where service levels and performance is already high and increasing the use of existing assets, rather than spending on new investment in these areas
- Investing in projects that grow the economy and deliver returns on our investment as reflected in our forecast growth in the rates base an average increase of 1.2% a year, providing total increased rates capacity of approximately \$220 million across the 10 years of the plan
- Improved asset management practices and data quality to better manage risk and forecasting of when we need to replace assets
- Incorporating an annual savings of 1% (a total of \$50 million) from shared services and efficiencies
- Recognising that rates increases equal or less than CPI (household inflation) are not sustainable in the long-term without cutting services
- Providing for average rates increases of no more than 3.9% across ten years, to provide capacity to maintain existing services and invest in initiatives that will grow the city
- Lifting our borrowing limits –to a maximum of 175% of income. Note that our forecast peak borrowing for the ten year programme is 135%. This provides around \$230million of capacity by 2024/25 to respond to emergencies or other requirements not currently planned for.

Funding and rates over the next ten years

Wellington's economy has been flat for the last six years. This Long-term Plan aims to kick start it. We have been prudent in recent years and are now in a strong financial position. The time is right to invest in game-changing projects – as the city did in the 1990s with Te Papa, the waterfront and the stadium – to grow the economy.

A growing economy means more businesses and a larger rating base, which in turns means we can spread the costs further and it will allow us to reinvest in the things that make Wellington great and different. We are conservatively forecasting an average growth in the rating base of 1.2% over the next ten years.

Rate levels will be kept at affordable levels

The Council's 'invest for growth' approach will also ensure rate increases are kept at affordable levels. In fact, as outlined in the graph on page xx, forecast average rates for the next ten years will be lower than our average rates historically.

We also use average household income as a threshold to measure rates affordability. The plan aims for the average residential rates to not rise above 3.5% of average Wellington household income. This is significantly lower than the 5% affordability threshold identified in the 2007 Local Government Rates Enquiry as appropriate.

We have set tough parameters for any rates increases in the next ten years

Our Financial Strategy guides sets out our proposed rates limits including:

- for the next three years, the average rates increase will be kept below 4.5% (after accounting for growth)
- for the next ten years, the average rates increase will be kept below 3.9% (after accounting for growth)

The proposed option to 'invest for growth' is below this limit with rates increases over the next ten years of 3.8%.

Indicative rates for the first year of the plan

The table on page xxshows the indicative residential and commercial property rates (inclusive of GST) for 2015/16.

Your rates

For 2015/16, total rates are forecast to increase by 6.1 % before allowing for growth in our ratepayer base. After allowing for expected growth, our total rates are forecast to increase by 4.9 %.

Rates on the average residential property (valued at \$533,084) are to increase by 5.3 % to \$2,193 (excluding GST) in 2015/16. An average rates increase of around 5.5 % for commercial properties, including the impact of increases in metered water charges in 2015/16. These increases average to a 4.9 % rates impact over- all ratepayers, after growth in the ratepayer base have been taken into account.

Explaining your rates

Our total rates revenue is split between general rates and targeted rates.

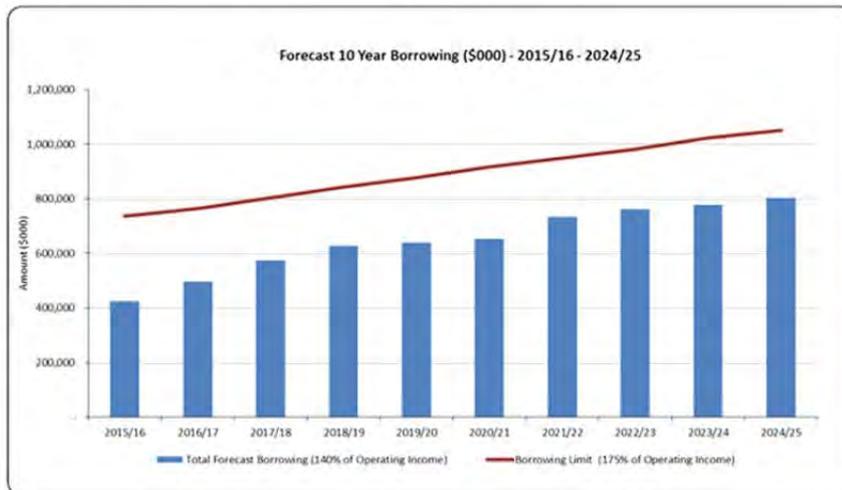
General rates are used to fund activities where the Council is unable to clearly identify a specific group of ratepayers who receive the benefit of that activity, or where is it not possible or suitable for that group to be targeted to pay. General rates are split over two categories: the base sector general rate (residential) and the commercial sector general rate. These are both levied based on a rate per-dollar of capital value. The Council has a general rates differential in place that decides how the general rate is shared between the residents and businesses in each category.

In 2015/16, the commercial sector general rate per dollar of capital value is to remain at 2.8 times higher than the base sector general rate for a property of the same value. We will review this rating differential after the September 2015 valuation is complete to check whether there is any significant shift in the relative proportion of capital value between the base and commercial sectors. We will consult on any recommended changes arising from that review in the 2016/17 Annual Plan.

Targeted rates are used to fund activities where the Council is able to clearly identify a specific group of ratepayers who receive the benefit of the activity, and where it is appropriate that this group be targeted to pay. The Council sets targeted rates to fund costs associated with the city's water, sewerage and stormwater systems. Separate targeted rates are also set for our base (residential) sector, commercial sector, downtown commercial sector, Marsden Village, Tawa driveways and business improvement districts (BIDs) for the Miramar business district and Khandallah business district.

Borrowing over the next ten years

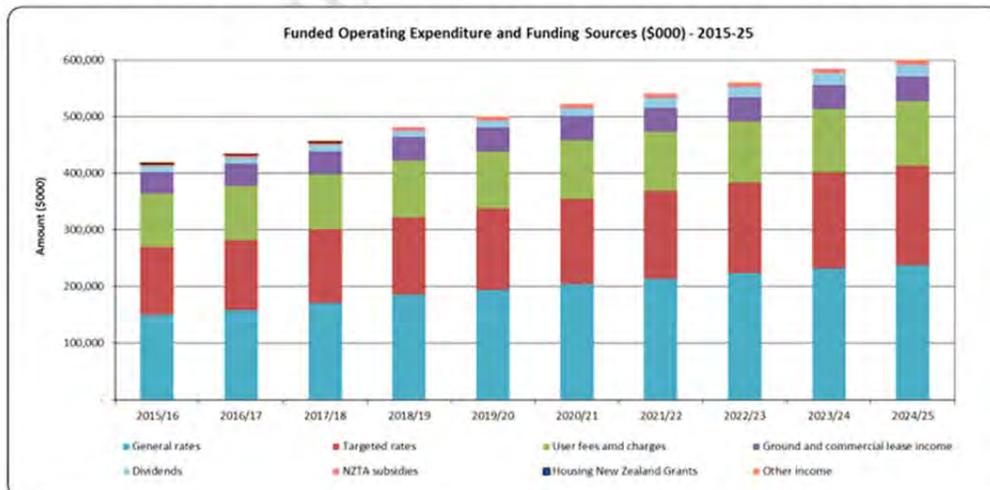
Our approach keeps borrowing levels well within the 175% debt to income limit set out in our Financial Strategy. Borrowing is forecast to increase from \$416 million (around 100% of income) in 2015/16 to \$807 million (around 135% of income) in 2024/25.



Operating expenditure

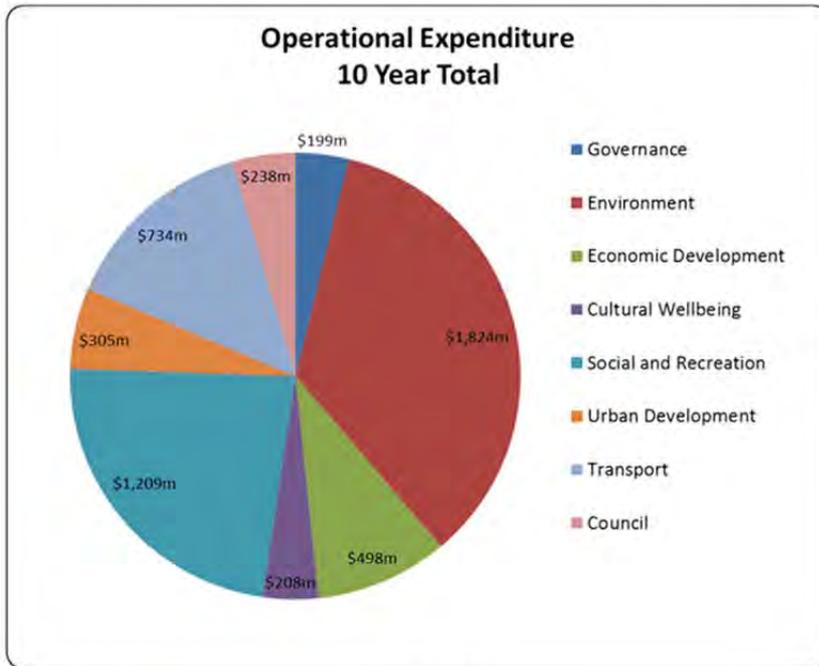
Where the money comes from

In addition to rates the Council plans to receive revenue from a number of other funding sources. The proposed funding sources for our operating expenditure are summarised in the graph below.



Where the money gets spent

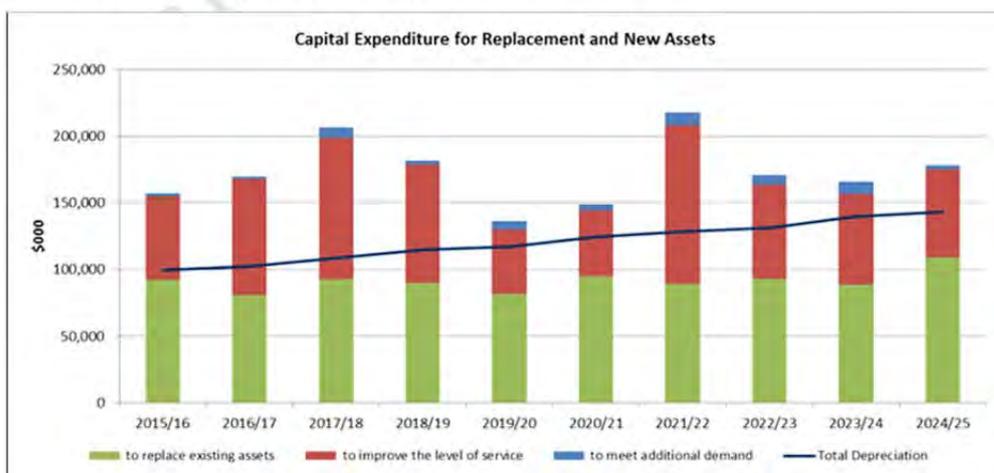
In total we plan to spend \$5.2 billion of operational expenditure across the ten years of this plan. This is spread across a range of activities with the major spending areas being: the environment, social and recreation, and transport, with the biggest increase being in the economic development area.



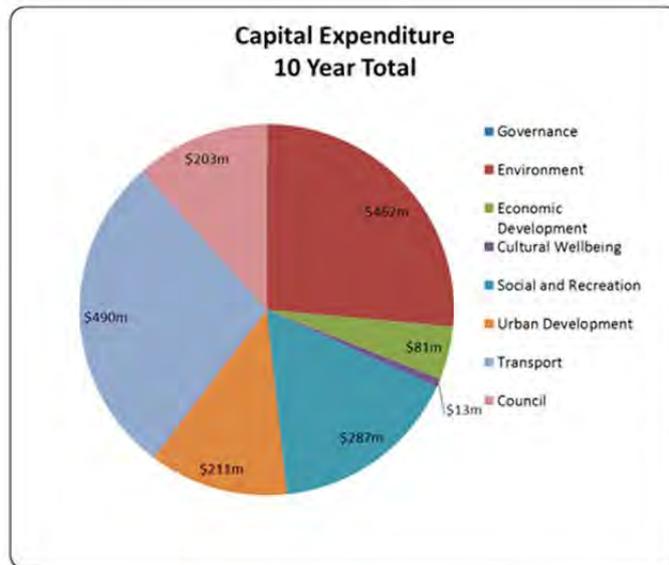
Capital Expenditure

How we plan to spend capital expenditure

The graph below illustrates the make-up of the \$1.7 billion of proposed capital expenditure investment over the 10 years of this Long-term Plan.

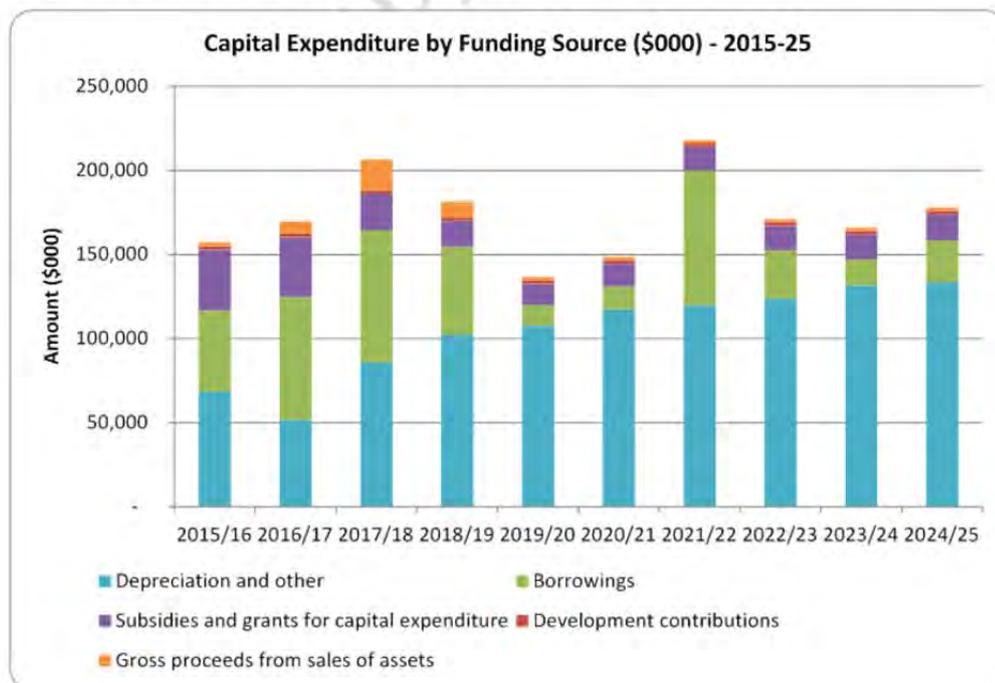


Even with the 'invest to grow' focus, over half of the proposed \$1.7 billion dollars of capital expenditure will be invested on delivering business-as-usual services in the Environment (which includes water, wastewater and stormwater) and Transport areas. This reflects the focus that the Council will continue to have on maintaining the quality and resilience of its infrastructure.



Where the capital funding comes from

Capital expenditure will be funded through a variety of funding sources. The funding to renew assets will come from rates funded depreciation. The balance is sourced from borrowings, external grants, development contributions and asset sale proceeds.



Our assets

We're managing our assets smarter

We own \$6.5 billion of assets. These include streets, pipes, libraries, swimming pools, retaining walls, signs, crematoria and much more. Our Infrastructure Strategy sets out how we intend to manage these over the next 30 years. The key aspects of this are:

- Overall, maintain assets in line with the current service offering
- Continue to improve the information about our assets to guide future investment decisions
- Make full use of an assets' life and make use of technology to improve the performance of assets
- Make use of the capacity in our existing facilities and assets before investing in new ones
- Focus investments into areas of growth (our programme includes urban regeneration, bus priority and cycling investment, amongst others).

How we look after our assets

Our Infrastructure Strategy indicates that we will need to spend approximately \$1 billion renewing the city's network and social infrastructure over the next ten years. We have made provision for this within our financial strategy and Long-term Plan.

Our financial strategy provides capacity for the Council to invest approximately \$720m upgrading and funding new assets. In addition to our 'invest to grow initiatives' major areas of planned investment include:

- | | |
|--------------------------|---------------|
| • Social housing | \$111 million |
| • Water reservoirs | \$46 million |
| • Cycleways | \$58 million |
| • Stormwater upgrades | \$25 million |
| • Johnsonville library | \$17 million |
| • Water network upgrades | \$13 million |
| • Walkways | \$8 million |

We also plan to continue our investment in making our infrastructure and public assets more resilient to earthquake risk and climate change. Investment to achieve that includes:

- | | |
|--|--------------|
| • Road corridor walls | \$23 million |
| • Tunnel and bridge improvements | 10 million |
| • Road safety projects | \$11 million |
| • Strengthening Town Hall | \$57 million |
| • Strengthening Civic Campus | \$16 million |
| • Stormwater and sewer hydraulic modelling | \$9 million |

Part C

Our work in detail

Draft subject to change

Our goals

We've set in place clear goals

The Council has set in place an overarching long term strategic vision for the city *Wellington Towards 2040: Smart Capital*. It aims to grow and sustain the city as 'an inclusive place where talent wants to live'.

The strategic vision is supported by four community outcomes or long term goals:

- **Connected city:** With improved physical and virtual connections, we can unleash the potential of Wellington's people and businesses. Technology reduces the city's physical distance from the world and markets, and the city's compactness allows for relationships to form with ease.
- **People-centred city:** Cities compete more for people, in particular, for the highly skilled, educated people who already make up a large proportion of Wellington's population. It will become increasingly important to draw on these strengths, to ensure the city is open, welcoming, vibrant and embraces diversity.
- **Eco-city:** We will build on current environmental strengths to transition to a low carbon future. As an eco-city Wellington will achieve high standards of environmental performance, coupled with outstanding quality of life and an economy increasingly based on smart innovation.
- **Dynamic central city:** By fostering the central city as a hub of creative enterprise, we can lead the region to the next level in economic transformation. With universities, research organisations and creative businesses all clustered in or near the central city, Wellington can grow, taking the wider region to the next step in prosperity and quality jobs.

These outcomes guide our activities.

1 Governance

Pārongo-ā-tāone

By the numbers

145,575

Number of registered voters in Wellington city.

56,844

Number who voted in 2013 Wellington City Council elections.

70%

Proportion of Wellington residents, in a June 2014 survey, who said they were satisfied with the way the Council involves them in decision-making. This was an improvement from 63% in the previous year's survey.

'Governance' is about democratic local decision-making on behalf of the people of Wellington. Our governance activities include managing local elections, informing residents about the city and the issues or challenges it faces, listening to residents' views, making decisions in the best interests of the city and its people, and managing partnerships with mana whenua and other groups.

This work is essential for local democracy and for the quality of Council decision-making. Residents have a fundamental right to influence the makeup of the Council through elections, and to be informed about, and influence, Council decision-making. Public input and involvement improves the quality of decision-making, by ensuring that all points of view and all relevant information are considered.

Our partnerships with mana whenua recognise their special place in the city's history and special relationships with its land, waterways and other parts of its environment.

Our overall aim is to build trust and confidence in our decisions and delivery.

In coming years, the Council will keep working to find new and more effective ways to engage with residents, so the community can be kept informed and can influence the Council's decisions.

Quality local decision-making requires us to engage at the right level, whether that is with local neighbourhoods, with particular sectors of the community, with businesses or business sectors, with local or central government, or with the community as a whole.

It requires us to continually strive to find new ways to reach people in ways that work for them.

It requires us to build and maintain partnerships, recognising that the Council is not always in control of the city's direction.

Effective local decision-making requires residents to engage and to take the available opportunities to inform themselves and have their say.

Key projects

Governing the Wellington region

The Local Government Commission has abandoned its draft proposal to reorganise Councils in the region to form a 'super-city' because of lack of public support.

Community feedback to the Commission has indicated that while a 'super-city' type model has very little support, a broad section of the community is open to the possibility of more moderate change. The Council is committed to dealing with regional issues at a regional level.

We acknowledge, for example, that the region has a single economy and therefore needs a single organisation to oversee and guide economic development.

For that reason, Wellington city has worked with Greater Wellington Regional Council and other local authorities to establish the Wellington Regional Economic Development Agency (WREDA), a single agency responsible for economic development, events and tourism throughout the region.

This agency will provide a clear direction for economic development across the region, leading to higher growth, more jobs and stronger communities.

Wellington's water comes from the hills of the Hutt Valley and is piped into the city. It is part of a single water network which can only be managed efficiently if it is managed on a regional basis. Water, wastewater and stormwater are therefore managed regionally, through the Council-controlled organisation Wellington Water.

Many transport decisions have implications for neighbouring cities and indeed for the country as a whole, so those decisions are made at regional or national levels.

We will continue to work with other Councils in the region and the Local Government Commission on exploring possible governance options that will improve regional service delivery and win the support of the community.

A partnership approach

Wellington city has 200,100 residents, nearly 26,000 businesses, and thousands of clubs and community groups.

Government agencies, other local authorities, businesses, community organisations and

individuals all make critical decisions affecting Wellington and its people.

The Council has set a direction for the city, and can act as a catalyst and an enabler. But, ultimately, others influence Wellingtonians' quality of life at least as much as us.

Many of the projects proposed in this document are for partnerships involving local and central government, businesses, and other parts of the community. Examples include the Wellington Convention Centre, the planned International Film Museum, and our ICT hub.

Increasingly, our intention is to work with others – influencing and enabling – in order to get the best outcomes for the city.

Involving residents in decision-making

In a 2014 survey of six New Zealand cities, residents were asked how well they understood local decision-making processes, how much confidence they had that decisions were made in their city's best interests, and how much influence the public had over decisions. For all of these questions, Wellington's results were close to the average. We realise that, like other cities, we have to keep working to inform Wellingtonians and involve them in decision-making on major matters.

In coming years, we will continue to find new and more effective ways to engage with residents. Increasingly, this means reaching people and receiving feedback online, through computers and smartphones.

Draft subject to change

Statement on Māori and mana whenua partnerships

Whai wāhitanga Māori (tae noa ki te mana whenua)

We have an obligation to ensure the views of mana whenua and Māori community are realised.

Our Treaty obligation

In Wellington city the signing of the Treaty of Waitangi occurred on 29 April 1840 on board Henry Williams' schooner *Ariel* in the harbour. 175 years later, Treaty of Waitangi historic claims for both iwi groupings within the city, Ngāti Toa Rangatira and Taranaki Whānui ki te Upoko o te Ika a Māui have been settled.

It is important that the special position of mana whenua is acknowledged and reflected in the way we make decisions about the city and its resources.

Engagement with the wider Māori community recognises the special provisions for Māori within our legislative framework and their unique Tangata Whenua position.

What we'll provide – our level of service

We work with the city's two mandated mana whenua organisations, the Port Nicholson Block Settlement Trust and Te Rūnanga o Toa Rangatira Incorporated, to ensure their views are represented in decisions about the city and to ensure their contribution to Wellington's heritage is fully and publicly recognised. Our responsibilities to these organisations are outlined in memoranda of understanding.

A capacity funding agreement outlines how they participate in decisions on policy, protocol, and regulatory and service delivery issues. Both entities have non-voting membership on the Council's committees. These obligations place administrative and time demands on the organisations. We provide each a grant to reflect their input.

We will provide opportunities for Māori to engage in dialogue with the Council to ensure their perspective is reflected in Council decisions and actions affecting economic, environmental, social, and cultural well-being.

How we will provide opportunities for Māori to contribute to our decision-making processes

In addition to fostering partnerships with mana whenua, we will engage with and build relationships with the wider Māori community. Here is how we will do it:

Mana whenua partnerships:

- *Te Raukura*, the wharewaka and the three waka, *Te Hononga*, *Te Rerenga Kōtare* and *Poutū*, are now prominent fixtures on our waterfront realising the aspiration of Taranaki Whānui to bring waka Māori back into our harbour. Along with the nearby Te Aro Pā visitor centre in the heart of the city, we will provide a grant to contribute to their upkeep

- We will sponsor a carved artwork in recognition of the recent historic Treaty settlement for Ngāti Toa Rangatira. This artwork will complement the existing pou whenua heritage trail and other public art marking sites of significance
- We will meet regularly with mandated mana whenua organisations to include their aims and aspirations for the city and across many areas of Council activity.

Māori community engagement:

- Our Māori Community webpage allows the community to register to receive email pānui (notices) and our e-Newsletter Nōna te Ao
- Our website also provides access to other publications of interest including Land Perspectives for Tangata Whenua from our District Plan (currently being updated), the Māori community Population Profile compiled from Census 2013 data, brochures about Te Ara o Ngā Tūpuna – the Māori Heritage Trail, Ngā Waka o Pōneke – the carved waka, Te Raukura – the Wharewaka o Pōneke and Te Aro Pā visitor site. You can also find the information guide for Ngā Iwi o te Motu Urupā – the Māori burial area within Makara cemetery
- Our community grants will assist Māori groups to undertake their own projects. Like all grant programmes, these projects must contribute to Council's high level priorities
- We will promote and celebrate Māori culture through significant dates in the Māori calendar such as Waitangi Day, Matariki and Māori Language Week, other community events, ceremonies and hui, public art and heritage protection.

The visible recognition of such projects and the inclusion of a Māori perspective across Council activities will contribute to our city's vitality and improve the experience of the city for us all. Inside Council, we aim to build our capacity to be more effective for Māori in the work that we do and how the Council can contribute to strengthening Māori communities.

Governance group of activities

Group of Activities	Rationale	Service Offering	Negative effects
1.1 Governance, information and engagement 1.1.1 City governance and engagement 1.1.2 Civic information 1.1.3 City Archives	Facilitating democratic decision-making. Providing open access to information.	<ul style="list-style-type: none"> • Providing advice, research and administrative support to elected members and community boards • Hosting local body elections • A contact centre and website providing 24/7 access to information and a place to log service faults • Management of archival information in line with legislation • Facilitating engagement on key issues and input form advisory groups • Accountability planning and reporting. 	There are no significant negative effects from these activities.
1.2 Māori and mana whenua partnerships 1.2.1 Māori and mana whenua partnerships	Partnership and recognition of the special place of mana whenua.	<ul style="list-style-type: none"> • Maintaining formal relationships with two mana whenua partners. • Facilitating opportunities to contribute to local decision making. 	There are no significant negative effects from these activities.

Governance Performance Measures

Governance	
Objectives	Democratic decision-making Open access to information Recognition of Māori
Outcome indicators	Residents (%) who agree that decisions are made in the best interests of the city Residents (%) who state that they understand how the Council makes decisions Residents (%) who understand how they can have input into Council decision-making Mana whenua partners agree that the use and protection of the city's resources for the future is appropriate Residents (%) who believe they have the opportunity to participate in city life Voter turnout in local elections, referendums and polls
1.1 Governance, Information and Engagement	

1.1.1 City governance and engagement 1.1.2 Civic information 1.1.3 City Archives					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the quality of the public's involvement in Council decision-making	Residents (%) satisfaction with the level of consultation (i.e. the right amount)	55%	55%	55%	55%
	Residents (%) who are satisfied or neutral (neither satisfied nor dissatisfied) with regard to their involvement with decision-making	75%	75%	75%	75%
To measure the quality and timeliness of residents' access to information	Council and committee agendas (%) are made available to the public within statutory timeframes (two working days prior to the meeting)	100%	100%	100%	100%
	Council and committee agendas (%) that are made available to <i>elected members</i> five days prior to the meeting and to the public four days prior to the meeting	80%	80%	80%	80%
	Residents (%) who agree that Council information is easy to access (i.e. From web centre, libraries, newspapers, etc)	55%	55%	60%	Increasing trend
	Residents (%) who agree that Council website is easy to navigate and get information from	70%	70%	75%	75%
	Contact Centre response times - calls (%) answered within 30 seconds	80%	80%	80%	80%
	Contact Centre response times - emails (%) responded to within 24 hours	100%	100%	100%	100%
1.2 Maori and Mana Whenua Partnerships					
1.2.1 Māori and mana whenua partnerships					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the health of our relationship with mana whenua	Mana whenua partner satisfaction with Council relationship (satisfied and very satisfied)	Satisfied	Satisfied	Satisfied	Satisfied

To measure the engagement of the city's Maori residents	Maori residents (%) who are satisfied or neutral (neither satisfied nor dissatisfied) with regard to their involvement with decision-making	75%	75%	75%	75%
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Draft subject to change

Governance Activity budget

1.1 Governance, information and engagement	2014/15 AP	2015-25 LTP	2015-25 LTP	2015-25 LTP	2015-25 LTP 10-
	2014/15	2015/16	2016/17	2017/18	year total
	Gross Expenditure				
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
1.1.1 - City governance and engagement	8,329	9,901	10,881	10,141	114,019
1.1.2 - Civic information	5,433	5,435	5,540	5,637	61,447
1.1.3 - City archives	1,016	1,758	1,886	1,924	20,830
Total operating expenditure	14,778	17,094	18,307	17,703	196,297
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
1.1.1 - City governance and engagement	-	-	116	-	379
1.1.2 - Civic information	-	-	-	-	-
1.1.3 - City archives	-	-	-	-	-
Total capital expenditure	-	-	116	-	379

1.2 Maori and Mana Whenua partnerships	2014/15 AP	2015-25 LTP	2015-25 LTP	2015-25 LTP	2015-25 LTP 10-
	2014/15	2015/16	2016/17	2017/18	year total
	Gross Expenditure				
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
1.2.1 - Maori and Mana Whenua partnerships	225	281	288	296	3,190
Total operating expenditure	225	281	288	296	3,190
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
1.2.1 - Maori and Mana Whenua partnerships	-	-	-	-	-
Total capital expenditure	-	-	-	-	-

2 Environment

Taiao

By the numbers

58

Gigajoules of electricity used per person annually in Wellington. This compares with 81 gigajoules for an average European city and 228 gigajoules for an average Australasian city.

206.5

Square metres of green open space for each person living in Wellington city.

340

Kilometres of Council-managed tracks and walkways in the city's open space areas.

50,712

Number of native plants planted by the council during the last financial year (2013/14).

80,832

Tonnes of waste deposited in Wellington's landfill during the last financial year – a reduction of 6% from the year prior.

The Council is responsible for vital services such as water supply, waste reduction and disposal, wastewater and stormwater services; funding environmental attractions such as Zealandia and Wellington Zoo; and managing open spaces such as the Town Belt and Outer Green Belt, and the city's beaches and coastline.

We fund these services because they are critical to the lives of individual Wellingtonians and to the community as a whole.

They ensure that the city is safe and liveable, and that basic human needs are met.

They minimise harmful effects from human activity.

They provide recreation opportunities, attract visitors, and make the city a beautiful place to live.

The environment is the Council's biggest area of activity, with planned net operational spending of \$1.64 billion over the next 10 years. Of that, the majority is spent on core services such as water, wastewater and stormwater.

The quality of Wellington's environment depends on all of us – residents, businesses and industries, land users, the Council, regional and central government, and others.

The Council is a regulator, a funder and provider of services. We provide the basic services which make the city run.

We invest heavily in environmental assets and services because they matter for all residents of the city.

All of our work involves partnerships, with local communities and businesses, volunteer organisations, other local authorities, and regional and central government. Water, wastewater and drainage networks are managed by Wellington Water, which is jointly owned by the Greater Wellington Regional Council and Hutt, Porirua, Upper Hutt and Wellington city councils.

Wellington City Council's environmental activities are mainly funded through rates and user charges. Decisions about funding depend on a range of things, including: who benefits, how essential the service is, and the 'polluter pays' principle.

Key projects

Understanding the impacts of climate change

During this century, according to scientific modelling, climate change will have an

increasingly significant impact on Wellington and other coastal cities.

Over the next 100 years the sea level is predicted to rise by somewhere between 60 centimetres and 1.1 metres. Along with this, the water table will also rise. Potential impacts include erosion and inundation of low-lying coastal land, damage to infrastructure and building foundations, increased flood risks, and increased risks of liquefaction in the event of an earthquake.

A warming climate is also likely to make severe storms more frequent, bringing risks of property and infrastructure damage.

One of the most important tasks facing the Council is to prepare the city for these impacts. We will have to make decisions, for example, about whether coastal land needs to be protected by sea walls, or changes are needed to the stormwater system or other infrastructure.

The first step is to understand the possible impacts, and the measures that can be taken to reduce or mitigate those impacts. Over the next three years, we will:

- Assess the impact of rising sea levels on the stormwater network and the water table, so we can make sensible decisions about land use, building and infrastructure
- Review District Plan provisions for areas that might be vulnerable to rising sea levels.

Our contribution to climate change

By comparison with other cities, Wellington is a relatively low emitter of greenhouse gases.

There are several reasons for this. The city has a relatively compact urban footprint, easy access to public transport, and an economy that relies on services rather than agriculture or heavy industry. It also has access to renewable energy – the two wind farms on the city's outskirts together produce enough power for 100,000 average homes.

Wellington City Council is committed to further reduction in the city's contribution to climate change. Our 2020 target is for the city's greenhouse gas emissions to be 30% below 2001 levels. So far, emissions have at least stabilised since 2009/10.

All action on climate change involves partnership. The Council can take some steps, but it's the city's residents, communities, land and building owners, businesses, and researchers who can make the most difference.

Much of the Council's role is in planning decisions. In the next three years, a key focus will be implementing transport initiatives that support increasing numbers of Wellingtonians to get around the city on foot, bikes, or buses. Urban growth will be focused along bus priority routes.

We will also:

- Extend our support for Enviroschools
- Continue our award winning smart energy programme
- Review our Climate Change action plan
- Develop a coastal resilience plan.

Southern Landfill

Construction of Stage four of the landfill (which will provide capacity for at least another 40 years) will begin in 2016.

Understanding key infrastructure

Wellington city's biggest infrastructure asset is one that is rarely seen. It lies out of sight, underground. There, more than 2,700 kilometres of pipes and tunnels, criss-crossing the city, carrying water to the city's homes, businesses, schools and hospitals; or carrying sewage to treatment plants, or stormwater to the sea.

Together, this network and associated assets are valued at around \$1.3 billion. Lay all of the pipes end to end and they would reach Sydney.

Managing these assets is one of the biggest areas of the Council's activity and each year we spend more than \$50 million to operate the city's water, wastewater and stormwater networks and we invest more than \$25 million in new or upgraded assets.

Through better management of these assets, we anticipate that we can make significant savings over the next few years, while maintaining service levels.

We will also focus on new urban growth in areas where existing water and stormwater networks already have enough capacity to deal with added demand.

Managing harm from stormwater

Every year, millions of litres of stormwater are discharged into the city's streams, harbour and coastal waters. That stormwater can contain contaminants, such as oils, paints, detergents, litter, animal droppings, and after heavy rainfall, sewage. The environmental impacts of stormwater runoff are monitored, and generally comply with resource consents and environmental standards.

In the next three years, we will introduce real-time monitoring of the stormwater network. This will enable us to measure flows of stormwater and pollutants into waterways,

and allow us to manage flows when stormwater is causing environmental harm.

An interactive children's garden

Plans are well advanced for a unique, interactive Children's Garden near the playground in Wellington Botanic Garden. The Children's Garden will be a fun, hands-on place where children can explore and make discoveries about the plants used for food, medicine, clothing and shelter.

The garden will be part-funded through public donations and the Plimmer Bequest.

www.childrensgardenwellington.com

Te Motu Kairangi / Miramar Peninsula

The Council will continue to work with others to see the northern point of Miramar peninsula retained and developed as a natural heritage destination. This will be part funded from the Plimmer Bequest.

Our Natural Capital

The Council has finalised its biodiversity strategy in 2015 and developed an implementation plan to protect and restore the city's indigenous biodiversity.

The Council is also increasing the funding for pest control initiatives in the next ten years to protect Wellington's biodiversity. This falls under the auspices of Our Natural Capital: Wellington's Biodiversity Strategy and Action Plan.

Freedom Camping

Over the next two years we will plan and prepare for a new stand-alone freedom camping area. We are also funding improved management and security patrolling of existing freedom camping areas and provide capital funding in 2015/16 for improved signage, rubbish facilities in coastal areas and sensor parking at Te Kopahau Reserve.

1st place

In a 2012 survey of the environmental performance of Australasian cities, Wellington was a top performer in greenhouse gas emissions, energy consumption, waste generation and recycling, and air quality.

In a 2014 survey of six NZ cities, Wellington residents were more likely than residents of other cities to perceive their natural environment as beautiful, and more likely to say they had easy access to a local park or other green space.

5.5 tonnes

CO2 emissions per capita, Wellington city.

20.4 tonnes

CO2 emissions per capita, average for major cities in New Zealand and Australia.

Draft subject to change

Environment group of activities

Group of Activities	Rationale	Service Offering	Negative effects
2.1 Gardens, beaches and green open spaces 2.1.1 Local parks and open spaces 2.1.2 Botanical gardens 2.1.3 Roads open spaces 2.1.4 Town belts 2.1.5 Community environmental initiatives 2.1.6 Walkways 2.1.7 Biodiversity	Provide access to green open spaces. Provide public places to congregate. Provide access to recreational opportunities. Enhance biodiversity.	Manage and maintain: <ul style="list-style-type: none"> • 4,000ha of parks, reserves and beaches • 200 buildings for community use • 340km of walking and mountain bike tracks • over 200,000 square metres of amenity bedding and horticultural areas • boat ramps, wharves, seawalls and slipways. 	In our management of the city's green open spaces, we seek to balance recreation needs against environmental protection. While recreational use can have negative effects on the immediate environment, in most cases these are not significant. We do not anticipate any other significant negative effects associated with our management of these services.
2.2 Waste reduction and energy conservation 2.2.1 Waste minimisation, disposal and recycling 2.2.2 Management Closed landfills aftercare 2.2.3 Energy efficiency and conservation	Minimise and manage waste.	Manage and monitor: <ul style="list-style-type: none"> • landfill operations / composting waste at the Southern Landfill • domestic recycling and rubbish collection • the environmental impacts of closed landfills • programmes to educate residents to manage and minimise waste effectively. 	Waste management has the potential to create leachates and gases. The construction and management of the southern landfill is designed to minimise the impact of these. The service is subject to resource consent conditions and is monitored.
2.3 Water 2.3.1 Water network	Security of supply of potable water.	<ul style="list-style-type: none"> • Ensure high quality water is available at all times for drinking and other household and business uses • Maintain 80 reservoirs, 34 pumping stations, 8,000 hydrants and 1,250km of pipes. 	We do not anticipate any significant negative effects associated with our provision of these services.
2.4 Wastewater 2.4.1 Sewage collection and disposal 2.4.2 Sewage treatment	Clean waterways are essential for public health and to the city's environment.	Provide and monitor: <ul style="list-style-type: none"> • The city's sewage collection, treatment and disposal in line with resource consent conditions • Introduce a real time network monitoring 	The wastewater network aims to minimise the harm to people that would arise without it. The council has made significant investment in plant and equipment to treat the waste before it is disposed. There is the risk of

Group of Activities	Rationale	Service Offering	Negative effects
		<p>system.</p> <ul style="list-style-type: none"> • Monitor the performance of Wellington Water. 	<p>minor overflows into waterways during storm events. These occurrences are rare and are monitored to reduce environmental and public health impacts.</p>
<p>2.5 Stormwater 2.5.1 Stormwater management</p>	<p>Keep people and property safe from flooding.</p>	<ul style="list-style-type: none"> • Maintain, renew and upgrade the stormwater network to protect flooding. • Introduce a hydraulic model. 	<p>The stormwater network aims to minimise the impact of flooding. The network can carry containments, such as oils from roads or run off from developments, into waterways. We educate residents to change behaviours, such as pouring paint down drains, and monitor our waterways.</p>
<p>2.6 Conservation Attractions</p>	<p>Inform and educate on the importance of conservation and biodiversity.</p> <p>Attract visitors.</p> <p>Protection of flora and fauna.</p>	<ul style="list-style-type: none"> • Provide funding to Wellington Zoo. • Support its expansion with the new Meet the Locals Exhibition. • Part fund Zealandia. • Monitor performance. • Provide a one off \$6m grant for the development of an Ocean Exploration Centre on the south coast (subject to third party funding and a final business case). 	<p>We do not anticipate any significant negative effects associated with our role in these services.</p>

Environment Performance Measures

Environment					
Objectives	Security of supply Waste reduction Access to green open spaces Biodiversity				
Outcome Indicators	Open space land owned or maintained by WCC - total hectares and sqm per capita Residents' usage of the city's open spaces - local parks and reserves, botanic gardens, beaches and coastal areas, and walkways Residents' perceptions that the natural environment is appropriately managed and protected Hours worked by recognised environmental volunteer groups and botanic garden volunteers Water consumption (commercial and residential combined) Freshwater biological health (macro invertebrates) - Makara, Karori, Kaiwharawhara and Porirua stream Freshwater quality - Makara, Karori, Kaiwharawhara and Porirua streams (note data for Owhiro Stream not available) Energy use per capita Number/sqm of 'green star' buildings/space in the city Total kerbside recycling collected per capita Total waste to the landfill per capita Selected indicators from the City Biodiversity Index (specific indicators to be confirmed)				
2.1 Gardens, Beaches and Green Open Spaces					
2.1.1 Local parks and open spaces					
2.1.2 Botanical gardens					
2.1.3 Beaches and coast operations					
2.1.4 Roads open spaces					
2.1.5 Town belts					
2.1.6 Community environmental initiatives					
2.1.7 Biodiversity (pest management)					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25

To measure the quality of the open spaces we provide	Residents' satisfaction (%) with the quality and maintenance of green open spaces - local parks, playgrounds and reserves; botanic gardens; beaches and coastal areas; and walkways	90%	90%	90%	90%
	Number of visitors to the Botanic Gardens (including Otari-Wiltons Bush)	1,280,000	1,280,000	1,280,000	1,280,000
To measure the quality of street cleaning services	Residents' satisfaction (%) with the quality of street cleaning	85%	85%	85%	85%
	Street cleaning (%) compliance with quality performance standards	98%	98%	98%	98%
To measure the quality and quantity of work we undertake to protect biodiversity	We will plant two million trees by 2020	1,389,777 (69% of 2020 target)	1,539,927 (77% of 2020 target)	1,690,127 (85% of 2020 target)	2 million by 2020 (100% of target)
	High value biodiversity sites (%) covered by integrated animal pest control or weed control	55%	59%	63%	70% by 2020
	Proportion of grant funds successfully allocated (through milestones being met)	95%	95%	95%	95%
2.2 Waste Reduction and Energy Conservation					
2.2.1 Waste minimisation, disposal and recycling management					
2.2.2 Closed landfills aftercare					
2.2.3 Energy efficiency and conservation					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25

To measure the quality of waste reduction and recycling services	Residents (%) satisfaction with recycling collection services	85%	85%	85%	85%
	Waste diverted from the landfill (tonnes)	at least 16,500 tonnes of recyclable material			
	Residents (%) who regularly use recycling (incl weekly, fortnightly or monthly use)	90%	90%	90%	90%
To measure the quality of our waste disposal services	Residents (%) satisfaction with waste collection services	90%	90%	90%	90%
	Energy sourced from the Southern Landfill (GWh)	8 GWh	8 GWh	8 GWh	8 GWh
To measure the amount (quantity) of the Council's energy consumption and emissions	WCC corporate energy use (incl WCC general, pools and recreation centres, and CCOs)	Decrease in energy use from previous year	Decrease in energy use from previous year	Decrease in energy use from previous year	Declining trend
	WCC corporate greenhouse gas emissions	Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050	Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050	Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050	Compared to 2003, reduce emissions 40% by 2020 and 80% by 2050

2.3 Water					
2.3.1 Water network					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the quality of water supplied to residents and the services that ensure security of supply	Compliance with Drinking Water Standards for NZ 2005 (revised 2008) (Part 4 bacterial compliance)	100%	100%	100%	100%
	Maintenance of water supply quality gradings from Ministry of Health	Maintain	Maintain	Maintain	Maintain
	Customer satisfaction with water supply	90%	90%	90%	90%
	Number of complaints about: (a) drinking water clarity (b) drinking water taste (c) drinking water odour (d) drinking water continuity of supply (e) responsiveness to drinking water complaints per 1000 connections.	Baseline	n/a	n/a	n/a
	Median response time for:				
	(a) attendance for urgent call outs	60min 4 hours	60min 4 hours	60min 4 hours	60min 4 hours
	(b) resolution for urgent call outs	36 hours	36 hours	36 hours	36 hours
	(c) attendance for non-urgent call outs	15 days	15 days	15 days	15 days
	(d) resolution for non-urgent call outs				
	Percentage of real water loss from networked reticulation system	<14%	<14%	<14%	<14%
	Average drinking water consumption/resident/day	375 litres per day			
	Number of unplanned supply cuts per 1,000 connections	< 4	< 4	< 4	< 4

2.4 Wastewater					
2.4.1 Sewage collection and disposal network					
2.4.2 Sewage treatment					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the quality and timeliness of the wastewater service	Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)	<=1.2	<=1.2	<=1.2	<=1.2
	Dry weather wastewater overflows/1,000 connections	0	0	0	0
	Customer satisfaction with the wastewater service	75%	75%	75%	75%
	Number of complaints about: (a) wastewater odour (b) wastewater system faults (c) wastewater system blockages (d) responsiveness to wastewater system issues per 1,000 connections.	Baseline	n/a	n/a	n/a
	Median response time for wastewater overflows: (a) attendance time (b) resolution time	(a) <= 1 hour (b) <= 6 hours			
To measure the impact of wastewater on the environment	Breaches of Resource consents for discharges from wastewater system. Number of: - abatement notices - infringement notices - enforcement orders - convictions for discharges from wastewater system.	0	0	0	0

2.5 Stormwater					
2.5.1 Stormwater management					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the quality and timeliness of the stormwater service	Number of pipeline blockages per km of pipeline	<= 0.5	<= 0.5	<= 0.5	<= 0.5
	Customer satisfaction with stormwater management	75%	75%	75%	75%
	Number of complaints about stormwater system performance per 1,000 connections	Baseline	n/a	n/a	n/a
	Median response time to attend a flooding event	<= 60 minutes	<= 60 minutes	<= 60 minutes	<= 60 minutes
To measure the impact of stormwater on the environment	Breaches of Resource consents for discharges from stormwater system. Number of: - abatement notices - infringement notices - enforcement orders - convictions for discharges from stormwater system.	0	0	0	0
	Number of flooding events	Trend only	n/a	n/a	n/a
	Number of habitable floors per 1,000 connected homes per flooding event	Trend only	n/a	n/a	n/a
	Percentage of days during the bathing season (1 November to 31 March) that the monitored beaches are suitable for recreational use.	90%	90%	90%	90%
	Percentage of monitored sites that have a rolling 12 month median value for E.coli (dry weather samples) that do not exceed 1,000 cfu/100ml	90%	90%	90%	90%

2.6 Conservation Attractions					
2.6.1 Conservation visitor attractions					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the success of our investments in conservation attractions	Zoo - total admissions	234,713	239,407	244,195	Increase 2% each year
	Zealandia - visitors	92,500	93,600	93,600	93,600

Environment Activity budget

2.1 Gardens, beaches and green open spaces	2014/15 AP	2015-25 LTP		2015-25 LTP		2015-25 LTP 10-
	2014/15	2015/16	2016/17	2017/18	year total	
	Gross Expenditure					
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	
2.1.1 - Local parks and open spaces	8,545	8,756	8,812	8,977	96,022	
2.1.2 - Botanical gardens	4,762	4,752	4,921	5,050	55,971	
2.1.3 - Beaches and coast operations	1,371	1,409	1,445	1,112	12,753	
2.1.4 - Roads open spaces	7,645	8,147	8,426	8,719	96,443	
2.1.5 - Town belts	5,080	4,665	4,991	5,338	63,770	
2.1.6 - Community environmental initiatives	632	743	790	767	8,874	
2.1.7 - Walkways	597	582	600	639	7,337	
2.1.8 - Biodiversity (Pest management)	1,530	1,704	1,899	1,978	20,595	
2.1.9 - Waterfront Public Space	-	1,737	1,726	1,765	18,576	
Total operating expenditure	30,162	32,494	33,610	34,344	380,340	
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	
2.1.1 - Local parks and open spaces	1,098	1,286	701	1,505	16,118	
2.1.2 - Botanical gardens	602	433	528	704	7,679	
2.1.3 - Beaches and coast operations	568	227	176	181	2,009	
2.1.4 - Roads open spaces	-	-	-	-	-	
2.1.5 - Town belts	110	135	248	229	3,552	
2.1.6 - Community environmental initiatives	-	-	-	-	-	
2.1.7 - Walkways	625	550	1,014	1,253	7,292	
2.1.8 - Biodiversity (Pest management)	-	-	-	-	-	
2.1.9 - Waterfront Public Space	-	-	-	-	-	
Total capital expenditure	3,003	2,632	2,666	3,872	36,650	

2.2 Waste reduction and energy conservation	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2.2.1 - Waste minimisation, disposal and recycling management	12,802	12,836	13,335	13,642	146,147
2.2.2 - Closed landfills aftercare	404	522	414	322	2,975
2.2.3 - Energy efficiency and conservation	-	282	334	134	1,774
Total operating expenditure	13,206	13,641	14,083	14,097	150,896
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2.2.1 - Waste minimisation, disposal and recycling management	776	1,238	1,232	5,882	21,281
2.2.2 - Closed landfills aftercare	-	-	-	-	-
2.2.3 - Energy efficiency and conservation	-	-	-	-	-
Total capital expenditure	776	1,238	1,232	5,882	21,281
2.3 Water	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2.3.1 - Water network	25,738	23,394	23,788	25,310	273,466
2.3.2 - Water collection and treatment	14,174	14,932	16,179	17,219	222,414
Total operating expenditure	39,912	38,327	39,966	42,529	495,880
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2.3.1 - Water network	12,294	16,951	14,935	15,410	201,433
2.3.2 - Water collection and treatment	-	-	-	-	-
Total capital expenditure	12,294	16,951	14,935	15,410	201,433
2.4 Wastewater	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2.4.1 - Sewage collection and disposal network	18,767	19,157	19,507	20,694	225,964
2.4.2 - Sewage treatment	22,837	22,654	23,596	24,828	280,504
Total operating expenditure	41,604	41,811	43,103	45,523	506,469
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2.4.1 - Sewage collection and disposal network	7,745	10,481	11,327	13,319	133,330
2.4.2 - Sewage treatment	-	-	-	-	-
Total capital expenditure	7,745	10,481	11,327	13,319	133,330
2.5 Stormwater	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2.5.1 - Stormwater management	18,777	17,588	18,054	19,111	213,669
Total operating expenditure	18,777	17,588	18,054	19,111	213,669
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2.5.1 - Stormwater management	4,255	4,455	7,020	7,652	59,476
Total capital expenditure	4,255	4,455	7,020	7,652	59,476

2.6 Conservation attractions	2014/15 Annual Plan Yr 1 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2.6.1 - Conservation visitor attractions	6,126	6,459	6,625	12,899	77,105
Total operating expenditure	6,126	6,459	6,625	12,899	77,105
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2.6.1 - Conservation visitor attractions	794	1,316	817	843	9,589
Total capital expenditure	794	1,316	817	843	9,589

Draft subject to change

3 Economic development and 4 Cultural well-being

Whanaketanga ōhanga me / Oranga ahurea

By the numbers

2.4%

Wellington city average annual GDP growth – 10 years to March 2013. This compared with 2.2% nationwide. Of New Zealand's 66 local authorities, Wellington ranked 25th over the decade for GDP growth.

\$30.9m

Contribution to Wellington's economy during 2013/14 from 'A level' events supported by Wellington Council.

21

Number of Wellington businesses ranked among New Zealand's 200 largest

5

Number of Wellington businesses ranked among New Zealand's 10 fastest-growing.

The Council funds events and festivals; supports attractions such as Te Papa, the Carter Observatory, and the city's galleries and museums; markets Wellington to tourists from New Zealand and overseas; operates conference facilities; supports community art and cultural activities; promotes business, education and cultural links through sister city relationships; and provides free weekend parking in the Central Business District.

We fund these activities because they matter to the lives of individual Wellingtonians and to the community as a whole.

They make Wellington a more vibrant place to live, and they matter to residents' quality of life, their prosperity, identity and the opportunities available to them.

Our work in this area is guided by our Economic development strategy, our Arts and Cultural strategy and the Events Policy.

In coming years, the Council plans to invest for growth, unlocking Wellington's potential and making the city more vibrant and prosperous.

The strength of Wellington's economy depends on its people, its entrepreneurs, researchers, innovators, businesses and skilled workers.

The strength of its creative culture also depends on people, the output of artists, writers, musicians, and dancers and on the expressiveness of Wellington's communities.

The Council can only play a small, but important role in these sectors. We provide an environment in which creativity and innovation flourish, an environment that enables business activity that supports artistic and cultural endeavours, that celebrates the identities of the city's many communities.

We also act as a catalyst for funding infrastructure, festivals, events and promotional activities that support economic and cultural activity.

The Council's economic and cultural activities are funded through a combination of general rates, targeted rates, user charges and other income.

Key projects and initiatives

Investing for Growth

Although Wellington's economy is growing, it still has untapped potential, particularly in industries such as tourism, screen production and ICT. Tapping into that potential would bring more prosperity to the city, make it more vibrant, and provide a wider range of opportunities for residents.

Higher growth would also increase the rates base, allowing more investment in a stronger environment and higher quality of life.

Many of the new projects in this Long-term Plan are aimed at supporting growth in the economy, making it smarter, faster-growing, and more attractive to businesses and visitors, entrepreneurs, investors and skilled workers.

The key projects outlined in this section are at different stages of development. Detailed business cases will be developed for each of the projects in due course and these will set out the full costs and funding options. Further consultation will take place before final decisions are made.

A longer airport runway

Wellington's economic prosperity depends on the strength of its connections with the rest of the world.

The lack of long-distance direct air connections reduces the region's ability to attract tourists, international students, support business growth and make business connections.

We are working with Wellington International Airport Ltd (WIAL) on this project. The total cost of the runway extension is expected to be about \$300 million. It is anticipated that funding will be drawn from those that benefit—the Airport, residents, and businesses across the wider region, and the government in light of potential economic benefits to New Zealand.

We have budgeted \$90 million as our contribution towards a longer runway. Spreading this investment over 40 years would result in an annual cost of around \$6.5million commencing in 2019/20.

The Council will make a final decision on this project and whether to commit funding to construction in a future Long-term plan, once WIAL has obtained resource management approval for the project and the Council has received and considered a cost benefit analysis and business case from WIAL that Council will have independently reviewed. Other key considerations before Council makes its final decision relate to:

- resilience of runway extension to weather and climate change
- the proposed investment vehicle and any revenue agreement
- satisfactory airline commitments
- funding arrangements for construction and confirmed construction costs
- the governance and management structure to oversee construction.

The Council will also undertake further public consultation before making a final decision on whether to commit funding to construct the runway extension.

A central city tech hub

ICT is Wellington's fastest growing business sector, contributing more than \$2.4 billion in GDP to the region annually and supporting more than 15,000 jobs.

One of the critical conditions for success in high-tech industries is opportunities for people to connect with each other, sharing knowledge, ideas, innovation, investment, and pathways to national and international markets.

We plan to establish a 'tech hub' to help high-tech start-ups connect with funders, investors and international speakers. The Council's contribution towards the Tech Hub will be up to a maximum of \$3.2 million over the next three years.

Film and screen productions

Wellington's screen production sector thrills, inspires and amazes people here and around the world. However, the industry is also heavily dependent on one-off productions. A challenge is to create a growing and more continuous flow of projects.

The Council will work with the industry more closely and explore opportunities to grow the sector in the city.

A joined-up, regional approach

Wellington city's economy is not separate from the economies of neighbouring cities – the region forms a single economy.

Nor can the various sectors of the economy, such as events, tourism, hospitality, screen production and ICT, be considered separate. The success of one sector inevitably contributes to the success of another, by making the city more prosperous, increasing opportunities available to residents, and attracting visitors, workers, and businesses.

For that reason, Wellington city has worked with Greater Wellington Regional Council and other local authorities to establish the Wellington Regional Economic Development Agency (WREDA), a single agency responsible for economic development, events and tourism throughout the region.

This agency will be able to provide a clear direction for economic development across the region, leading to higher growth, more jobs and tourists, and stronger communities.

The inclusive and culturally diverse city

Of the 200,100 people who live in Wellington city, 29% were born outside of New Zealand, 24% speak a language other than English, and 29% identified with a non-European ethnic group.

Wellington is a city that celebrates diversity. As a city of government and business, we

value the connections that a diverse population has with other parts of the world. As a creative city, we love when people express themselves, sharing their stories, sounds, pictures and identities.

In an increasingly globalised world, our willingness to embrace diversity is an advantage and one that makes us attractive to visitors, investors, entrepreneurs and skilled people from all parts of the world.

In coming years, the Council will continue to encourage and celebrate diversity, by supporting arts and cultural events and small arts organisations ranging from Tawata, Randell, Orpheus, Matariki and Diwali to WOW and the New Zealand Festival.

We have also increased our cultural grants fund from 2016/17 to increase our level of support to the Capitals arts and cultural institutions.

Through the Destination Wellington programme, we are also promoting Wellington internationally as a place to live, learn and do business.

Increasing the range of visitor attractions
Wellington is one of New Zealand's fastest-growing tourism markets, with a 39% increase in visitor guest nights over the ten years to 31 March 2014. Higher visitor numbers means the city can support a wider range of visitor attractions.

While we have one of the country's fastest growing tourism markets, there is still considerable untapped potential in the market. Not only can we attract more visitors, we can also encourage them to stay longer and spend more.

We are planning to invest in the following projects in the coming years:

- The expansion of the Wellington Museum, to enable it to show more of its collection

and attract more visitors. Phase 1 of the redevelopment is underway and along with The Wellington Museums Trust we will continue to develop plans for further development.

- The development of a world class Film Museum to recognise a major and highly successful local industry, raise the city's profile and attract more tourists and get them staying longer. We are working with private sector partners on a proposal to establish an international film museum in Wellington. We have provisionally budgeted \$30 million. The final costs, returns and funding will be determined as part of the development of the business case.
- The development of a world class Ocean Exploration Centre at Maranui Quarry site in Lyall Bay, providing opportunities to discover Wellington's marine life and ocean environment. We have included \$6m in 2018/19 for this project. Council's funding is contingent on the project securing the remaining costs (\$17.5 million) from social investors and Central Government.
- The development of a Museum of War and Peace adjacent to Memorial Park. This project will be mainly funded by the Ministry for Culture and Heritage. A provisional contribution from Council is budgeted at \$10 million capital for 2018/19.

Increased funding for major events
Wellington is New Zealand's events and creative capital, but Wellington faces increasing competition from other Australasian cities for the right to host major events. To maintain our economic and cultural edge, we have increased the funding available to attract and support major events, ensuring

that the city is able to bring in new attractions and retain those it currently has. We have increased our Events Development Funding (implemented through WREDA) to around \$5 million per year for the ten years of the plan.

The New Zealand Festival

The festival is New Zealand's premier arts and cultural event. It's currently held every two years and attracts world class line-ups of performers. We have increased our grant to the festival by \$500,000 to secure 'off-year' events or shows in the city. This complements the New Zealand Festival's own success at raising the majority of its funding from ticket sales and other sources.

We will support another of the city's cultural institutions – the Circa Theatre. We have budgeted a grant of \$250,000 over the next three years to support the Circa Theatre and \$15,000 per annum over the next three years for technical support of external groups.

An indoor arena

Wellington has no indoor venue capable of seating more than 5000 people. As a result, the region misses out on international artists who play in other cities such as Auckland and Christchurch.

This comes as an economic cost to the city as we are missing out on a range of events including rock concerts and other music events that can attract large numbers of people to the city.

The Council is progressing work to scope the feasibility of developing an 8,000 – 12,000 seat indoor arena in the central city.

If a decision is made to proceed further, a business case will be developed and partnership funding options explored.

Wellington Convention Centre

Conventions bring people to the city from throughout New Zealand and overseas to discuss ideas and make connections.

A new purpose built Convention Centre would allow the city to maintain and increase its market share in the lucrative conference market, creating jobs and bringing up to \$21 million a year into the Wellington economy.

Increasing the number of conferences held in Wellington will also attract events, increase Wellington's international profile, and encourage Wellington businesses and research organisations to strengthen connections with their counterparts overseas.

We will continue to explore options and work with the private sector to deliver a convention centre to Wellington. We have budgeted an operational grant of \$4 million per year from 2019/20.

1st place

In a 2014 survey of six NZ cities, Wellington residents were much more likely than residents of other cities to:

- agree that cultural diversity made their city a better place – Wellingtonians said that cultural diversity made the city a more vibrant and interesting place
- agree that Wellington has a culturally rich and diverse arts scene

Wellington residents were also:

- more likely to be in paid employment than residents of other cities
- more likely to be satisfied with their work-life balance than residents of most other cities.

Economic Development group of activities

Group of Activities	Rationale	Service Offering	Negative effects
<p>3.1 City promotions and business support</p> <p>3.1.1 WREDA</p> <p>3.1.2 Major projects - economy</p> <p>3.1.3 WIED fund/Economic Grants</p> <p>3.1.4 Retail support</p> <p>3.1.5 International relations</p>	<p>Talent attraction and retention</p> <p>Grow tourism spend and economic returns from events.</p> <p>Grow inward investment and exports.</p> <p>Sustain city vibrancy.</p>	<ul style="list-style-type: none"> • Promoting Wellington to visitors • Attracting and supporting major events • Offering convention and concert venues • Building regional and international relations • Attracting and supporting business activity • Exploring major economic development initiatives such as the: <ul style="list-style-type: none"> • Runway extension and airline attraction • International Film Museum • Convention Centre • Indoor Arena • War and Peace Museum 	<p>We do not anticipate any significant negative effects associated with our role in these services.</p>
<p>4.1 Arts and cultural activities</p> <p>4.1.1 City Galleries and Museums</p> <p>4.1.2 Visitor attractions (Te Papa/Carter Observatory)</p> <p>4.1.3 Arts and cultural festivals</p> <p>4.1.4 Cultural grants</p> <p>4.1.5 Access and support for community arts</p> <p>4.1.6 Arts partnerships</p> <p>4.1.7 Regional amenities fund</p>	<p>The arts contribute to a vibrant Central Business District</p> <p>Provide opportunities for cultural expression.</p> <p>Build a sense of place and identity.</p> <p>Grow visitation and exposure to creativity and innovation.</p>	<ul style="list-style-type: none"> • Funding to Te Papa, Wellington Museum, City Gallery, Capital E, the Cable Car Museum, Carter Observatory and Nairn Street Historic Cottage • Support major events and festivals that generate economic returns • Provide fund grants to arts organisations • Manage the Toi Pōneke Arts Centre, the City Art Collection • Te Ara o Nga Tupuna Heritage Trail and Te Motu Kairangi Plan 	<p>We do not anticipate any significant negative effects associated with our role in these services.</p>

Economic Performance Measures

Economic Development					
Objectives	Tourism spend Investment attraction / digital exports City vibrancy				
Outcome Indicators	Number of domestic and international visitors (guest nights) Average length of stay - international and domestic Number of major conferences Number of A-level events held in Wellington and their economic contribution New Zealand's top 200 companies based in Wellington Business enterprises - births and growths (net growth in business) Domestic and international airline passengers entering Wellington airport Free wifi usage (logons/day) - waterfront and central city Pedestrian counts - average of various Lambton Quay sites Businesses and employees in research and development sector Secondary (international) and Tertiary (international and domestic) students enrolled per 1,000 residents Events/activities held with international cities (in Wellington and overseas)				
3.1 City Promotions and Business Support					
3.1.1 WREDA					
3.1.2 Major projects - economy					
3.1.3 WIED fund/Economic Grants					
3.1.4 Retail support					
3.1.5 International relations					
Purpose of measure	Performance measure ¹	2015/16	2016/17	2017/18	2018-25
To measure the quality of our investments in promoting the city	WREDA - Positively Wellington Tourism partnership funding	Maintain council's funding at less than 50% of total income	Maintain council's funding at less than 50% of total income	Maintain council's funding at less than 50% of total income	Maintain council's funding at less than 50% of total income
To measure the usage of WCC supported events	Estimated attendance at WCC supported events	500,000	500,000	500,000	500,000

¹ Note that these will be updated to reflect WREDA's statement of intent once signed off.

To measure the quality of our investments in economic development	Events Development fund - ratio of direct spend to economic impact	20:1	20:1	20:1	20:1
	The proportion of grant funds successfully allocated (through milestones being met)	95%	95%	95%	95%

Cultural Wellbeing Performance Measures

Cultural Wellbeing					
Objectives	Sense of place and identity Diversity and openness Visitation Exposure to creativity and innovation				
Outcome Indicators	Residents frequency of engagement in cultural and arts activities New Zealanders' and residents' perceptions that 'Wellington has a culturally rich and diverse arts scene' Resident perceptions that Wellington's local identity (sense of place) is appropriately valued and protected Events held at key city venues New Zealanders' and residents' perceptions that "Wellington is the arts capital of New Zealand" New Zealanders' and residents' perceptions that "Wellington is the events capital of New Zealand" Residents' (%) agreement with the statement that "Wellington is an easy place to get involved in the arts" Te Papa visitors - total visitors, overseas visitors and NZ visitors from outside the region Customer (%) satisfaction with the NZ Festival Total tickets sold (#) to the NZ Festival and the proportion sold to customers outside the region Total visits to museums and galleries (including Carter Observatory)				
4.1 Arts and Culture Activities					
4.1.1 City Galleries and Museums 4.1.2 Visitor attractions (Te Papa/Carter Observatory) 4.1.3 Arts and cultural festivals 4.1.4 Cultural grants 4.1.5 Access and support for community arts 4.1.6 Arts partnerships 4.1.7 Regional amenities fund					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25

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To measure the quality and usage of our arts and culture support activities	Attendee satisfaction with Council supported arts and cultural festivals	90%	90%	90%	90%
	User (%) satisfaction with Toi Pōneke facilities and services	90%	90%	90%	90%
	Economic contribution (\$) the NZ Festival makes to the city's economy (direct new spend)	40m	-	40m	40m (every 2 nd year)
	The proportion of grants funds successfully allocated (through milestones being met)	95%	95%	95%	95%
	Proportion of outcomes delivered (previous projects - weighted by \$ value)	90%	90%	90%	90%
	Venues Subsidy - Total number of performers and attendees at supported events	Increase on previous year			
	Cultural grants - % first time applicants who are successful	50%	50%	50%	50%

Economic activity budget

3.1 City promotions and business support	2014/15 AP	2015-25 LTP	2015-25 LTP	2015-25 LTP	2015-25 LTP 10-
	2014/15	2015/16	2016/17	2017/18	year total
	Gross Expenditure				
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
3.1.1 - WREDA	5,630	31,560	31,718	32,112	340,587
3.1.2 - Wellington convention centre	17,763	-	-	2,046	34,871
3.1.3 - Retail support (free weekend parking)	1,449	1,356	1,391	1,427	15,473
3.1.4 - WEID, economic growth and economic grants	1,262	3,599	3,680	3,765	40,784
3.1.5 - Major economic projects	4,313	-	5,000	-	58,565
3.1.6 - Regional and external relations	4,881	572	583	593	6,358
3.1.7 - Business improvement districts	2,510	114	117	120	1,297
Total operating expenditure	37,808	37,201	42,489	40,063	497,935
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
3.1.1 - WREDA	-	-	-	-	-
3.1.2 - Wellington convention centre	1,341	2,215	1,742	1,353	16,422
3.1.3 - Retail support (free weekend parking)	-	-	-	-	-
3.1.4 - WEID, economic growth and economic grants	-	-	-	-	-
3.1.5 - Major economic projects	-	-	-	-	64,908
3.1.6 - Regional and external relations	-	-	-	-	-
3.1.7 - Business improvement districts	-	-	-	-	-
Total capital expenditure	1,341	2,215	1,742	1,353	81,330

Cultural activity budget

4.1 Arts and culture activities	2014/15 AP	2015-25 LTP	2015-25 LTP	2015-25 LTP	2015-25 LTP 10-
	2014/15	2015/16	2016/17	2017/18	year total
	Gross Expenditure				
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
4.1.1 - Galleries and museums (WMT)	8,412	9,208	9,445	9,914	102,353
4.1.2 - Visitor attractions (Te Papa/Carter Observatory)	2,981	2,840	2,864	2,878	29,013
4.1.3 - Arts and cultural festivals	2,597	2,692	2,745	2,805	30,237
4.1.4 - Cultural grants	1,053	858	969	981	11,540
4.1.5 - Access and support for community arts	613	659	719	728	6,516
4.1.6 - Arts partnerships	1,938	2,277	2,315	2,353	22,330
4.1.7 - Regional Amenities Fund	609	609	609	609	6,095
Total operating expenditure	18,203	19,142	19,668	20,268	208,084
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
4.1.1 - Galleries and museums (WMT)	-	1,914	-	10,000	11,914
4.1.2 - Visitor attractions (Te Papa/Carter Observatory)	-	180	-	-	180
4.1.3 - Arts and cultural festivals	-	-	-	-	-
4.1.4 - Cultural grants	-	100	-	8	230
4.1.5 - Access and support for community arts	26	26	27	28	301
4.1.6 - Arts partnerships	-	-	-	-	-
4.1.7 - Regional Amenities Fund	-	-	-	-	-
Total capital expenditure	26	2,220	27	10,036	12,624

5. Social and recreation

Pāpori me te Hākinakina

By the numbers

4,000

Number of people who live in Council housing. These tenants would otherwise not have access to quality housing.

120,000

Number of times visitors received discounted access to pools and other facilities through the Leisure Card programme – which aims to help people for whom price might otherwise be a barrier.

320,000

Number of visits to the city's recreation centres.

1.2 million

Number of swims residents took in the city's pools.

2.3 million (physical) + 2.3 million (online)

Number of visits to libraries (online and through the door).

2.9 million

Number of books and other items residents took out from libraries.

(Source 2013/14 Annual Report)

The Council's social and recreation work includes providing housing for people in need, funding city safety initiatives, regulating food and liquor outlets, preparing to deal with earthquakes and other emergencies, providing community centres and halls, providing public toilets and cemeteries, supporting community groups and events, providing sport and recreation facilities, and neighbourhood playgrounds.

We fund these services because they matter to the lives of individual Wellingtonians and to the community as a whole.

They help to protect the most vulnerable people.

They keep people safe and healthy.

They strengthen communities.

They provide opportunities for people to live healthy lifestyles, to reach their potential, and to enjoy themselves.

In the next ten years, the Council proposes to spend more than \$1.0 billion (net) on services to promote stronger, safer, healthier communities.

The strength of Wellington's communities depends on its people.

The Council is a funder, a facilitator, and sometimes a regulator. We provide an environment in which people can be safe, get together with others, and can choose to live healthy lives.

We invest heavily in social and recreation services because they matter to the city, but we don't try to do everything. We don't get in the way by doing what clubs, volunteer organisations, businesses and individuals can do for themselves.

Decisions about funding for social and recreation services depend on a range of things, including: who benefits, how essential the service is and who has the ability to pay.

Key projects

Social housing

We are part-way through a 20-year, \$400 million programme in partnership with the Crown to upgrade our housing complexes.

This project is making tenants' homes warmer, safer, healthier and more energy efficient. It also involves landscaping and other improvements to create shared community and recreation spaces.

It is the largest social housing redevelopment project ever undertaken in New Zealand.

Upgrade work has already been completed for seven housing complexes, while another two are under way. Our priority for the next three years is to make further progress on this major programme and continue to improve the quality of our housing stock.

With Central Government looking to exit their state housing stock across New Zealand, we are exploring what this might mean for the City and options to not only deliver on the City's social and affordable housing demand but a range of housing needs for the 22,000 extra homes required in the city to meet our expected population growth over the next 30 years.

Homelessness

Wellington is an affluent city and should not have people living on streets or in cars, or relying for extended periods on temporary or emergency accommodation.

In April 2014, the Council endorsed Te Mahana: A Strategy to End Homelessness in Wellington. The strategy's overall goals are to stop homelessness, deal with it quickly when it does happen, and, once a person finds a home, stop them from becoming homeless again.

The strategy focuses on better coordinated, more effective, and more culturally appropriate ways of delivering services from the Council, and government and non-government agencies.

To support Te Mahana we have increased funding in 2015/16 by \$50,000 for improved services focussing on begging and rough sleeping in Wellington.

Recreation and community services

Use of some Council-funded sport and recreation facilities has declined a little in the last few years partly due to facilities being closed for maintenance or upgrades, and partly due to residents' individual choices.

Nonetheless, peak-time demand remains high at pools, recreation centres and sports fields. Also, the range of sports that use these facilities is growing.

In the last decade, we have invested heavily in sport and recreation facilities.

Key projects in the last decade have included construction of the ASB Sports Centre, new pools and water play areas at Karori, Kilbirnie, Johnsonville, and installation of synthetic turf at several of the city's sports fields, allowing them to be used in all weather and for longer hours.

Our focus is on accommodating demand within existing facilities where possible – we want to make use of the capacity in the community facilities we have already invested in, before we face the expense of adding more.

In line with this broad strategy, we have allocated additional funding to support school pools in their operations to ensure they remain open, are of a good standard and well-utilised by the community. Schools will be required to apply to gain funding.

Key projects in the coming years also include installing a synthetic turf at the National Hockey Stadium; and a refresh of the Basin Reserve.

In Karori we will fund \$350,000 towards installing an artificial turf on the old Terawhiti Bowling Green with the remaining funding coming from Waterside Karori Football and other clubs. We have also budgeted \$920,000 grant funding in 2017/18 for the development of the new Karori Events Centre.

We have also set aside \$500,000 per year from 2018 to support the development of sports hubs. The 'Sportsville' concept involves user groups either sharing one facility or rationalising/sharing services and/or buildings in an area. This can include sporting, social,

cultural and recreational interests.

'Sportsville' brings economies of scale by providing shared facilities and services for numerous clubs and codes, eg changing rooms, fields, administration, IT services, social areas etc. It enables clubs to focus on developing and improving services for existing and potential members.

In the coming year we will also provide one-off funding to Capital BMX Club to complete a BMX track at Ian Galloway Park that will provide a new safe venue for children to learn to ride, and a place where the next generation of BMX and mountain bike champions can be developed.

We are also continuing to support the Kaka Project and its community initiatives that aim to improve the future use of community resources in the Brooklyn Area.

Over the next two years, the Council has committed \$700,000 towards the upgrade of facilities at the Lyall Bay Surf Live-Saving Club. The Club provides a unique and essential rescue service to Wellington and its facility is used by a number of community groups.

Basin Reserve redevelopment

The Basin Reserve is regarded as one of the world's top ten cricket venues, but faces competition from an increasing number of grounds around the country, and requires significant investment to address a range of essential maintenance issues and a general upgrade of facilities.

The Basin Reserve Trust has developed a Master Plan to present a 25-year vision for the future of the ground. The key features of the vision are to retain the premier test status of the ground and to enhance the Basin Reserve as a local recreation space for the community.

The Master Plan outlines \$21 million of spending over the next ten years for the

upgrade. Implementation of the Master Plan will begin from 1 July 2015, and this will include the Council considering a business case for lights and making a decision on the future of the Museum Stand.

National Hockey Stadium

The Council will install a third artificial turf sports field at the National Hockey Stadium in Berhampore, to accommodate growing demand and improve the stadium's capacity to host hockey tournaments and events.

Participation in hockey has grown significantly in the last decade, to a point where the stadium is now operating at capacity with 95% winter utilisation rate. We have budgeted \$1.5 million of capital expenditure for the upgrade.

Johnsonville facility improvements

In addition to roading improvements in Johnsonville, the next steps in the suburb's redevelopment are the completion of major redevelopments of Alex Moore Park and Johnsonville Library.

The first stage of the park's redevelopment occurred in 2014, with construction of a car park and perimeter walkway, and installation of artificial turf on the northern sports field.

We will also contribute \$1.75 million over the next three years.. This will contribute to funding of a new pavilion, public toilets and further car parking, with local clubs fundraising for the remainder.

We plan to build a new, larger library in Johnsonville, to cater for increasing demand as the area's population grows. Where possible this library will be built to high Green Star rating. We have budgeted \$17 million in capital expenditure for this work.

The new library will be located between Keith Spry Pool and the Johnsonville Community Centre, allowing the three facilities to operate

as an integrated community hub. It is likely to include a café and possibly other community space as well as library facilities.

Design work for the new library will commence in 2015, with the aim of having the building open in 2018.

Dog exercise areas

We propose to construct fences around three dog exercise areas over the next three years. This will cost \$200,000 in capital expenditure.

These areas make it possible to have dogs off their leash to run free and keep them and the public safe.

The parks earmarked for this upgrade are Ian Galloway, part of Sinclair Park and Taylor Park.

Removing graffiti

In our Residents Monitoring Survey, 98% of Wellingtonians perceive their city to be safe, and we would like to keep it that way.

While only 40% of our residents voiced concerns over graffiti, the overall perception is that graffiti contributes to people feeling unsafe when walking in town.

We will increase our budget by a further \$180,000, to remove graffiti from our streets.

A Child-Friendly city

It's important for Wellington to cater for young people and their families, and for the Council this means providing safe, accessible and enjoyable places for recreation and play, and offering community events and activities that are suitable for all.

A Child-Friendly city is one where the voices, needs and priorities of children are an integral part of public policies, programmes and decisions. A Child-Friendly city is a place where children can influence decisions, express their opinions of their city, and be

safe and protected from exploitation, violence and abuse.

This initiative will help build the social conditions for strong families and connected communities and we will work with our partners and other councils in the region develop an action plan to deliver initiatives that include: Education and Rights Awareness, Play and Recreation, Transport, Safety.

As well as sport and recreation facilities (above), the Council provides 13 libraries and more than 100 neighbourhood playgrounds throughout the city; and funds events such as the Artsplash annual arts festival for children, and Neighbours Day events.

In the next three years, we will upgrade the children's playground at the Wellington Botanic Garden

1st place

In a 2014 survey of six NZ cities, Wellington residents ranked first for happiness, health, life satisfaction, and overall quality of life.

Wellingtonians were also much more likely to feel safe than residents of any other city, and much more likely to value cultural diversity.

WHO safe community

Wellington is the only capital city in the world to be accredited as a Safe Community under the World Health Organisation's International Safe Communities programme.

Over the next three years, one of our key priorities to retain that safe city status.

Social and Recreation group of activities

Group of Activities	Rationale	Service Offering	Negative effects
<p>5.1 Recreation promotion and support</p> <p>5.1.1 Swimming pools</p> <p>5.1.2 Sportsfields</p> <p>5.1.3 Sportsfields (synthetic)</p> <p>5.1.4 Recreation Centres</p> <p>5.1.5 Recreation partnerships</p> <p>5.1.6 Playgrounds</p> <p>5.1.7 Marinas</p> <p>5.1.8 Golf course</p> <p>5.1.9 Recreation programmes</p>	<p>Encouraging active and healthy lifestyles.</p> <p>Enabling participation in sporting and other group activities.</p> <p>Social cohesion.</p> <p>Greater participation with encouragement of greater use of existing facilities.</p>	<ul style="list-style-type: none"> Seven swimming pools for people to learn to swim, exercise, participate in aquatic sports or have fun Four multi-purpose recreation centres plus the ASB Sports Centre 44 natural and nine artificial sports turfs (two in partnership with schools), eight croquet lawns, Berhampore Golf Course, Newtown Park running track, a velodrome, tennis / netball courts The Evans Bay Marina & Clyde Quay Boat Harbour Funding towards the Basin Reserve Master Plan Upgrade 	<p>There are negative effects from owning and managing buildings and other assets to deliver these services. These include waste (solid, liquid), direct energy use to operate the building, indirect energy use from people using transport to access them. Our operations are managed so that waste is minimised or recycled and energy and water is conserved. We also encourage the use of public transport, walking and cycling as a means of getting around the city.</p> <p>Our swimming pools pose the additional risks of drowning. We manage this through a number of steps, most notably through the continuous presence of trained lifeguards. We also offer learn to swim programmes.</p>
<p>5.2 Community support</p> <p>5.2.1 Libraries</p> <p>5.2.2 Access support</p> <p>5.2.3 Community advocacy</p> <p>5.2.4 Grants (Social and Recreation)</p> <p>5.2.5 Housing</p> <p>5.2.6 Community centres and halls</p>	<p>Fostering diverse and inclusive communities.</p> <p>Enabling people to connect with information and each other.</p>	<ul style="list-style-type: none"> 12 libraries plus an online branch providing access to over a wide array of books, magazines, DVD, e-books and e-audio, online journals, e-music tracks Provision of community facilities and services including a city wide network of 18 community centres and community grants Partnering with key social and health agencies to ensure there is a coordinated approach to address emerging community issues Community outreach and children's literacy 	<p>We undertake these activities to enhance the quality of life of the city's residents and mitigate social harm.</p> <p>While there are negative effects from owning and managing buildings and other assets through which the majority of these services are provided – we seek to minimise these negative effects by ensuring our operations are managed effectively and that waste is minimised or recycled and energy and water is conserved.</p>

Group of Activities	Rationale	Service Offering	Negative effects
		<p>programmes</p> <ul style="list-style-type: none"> Supported community service providers and programmes to meet the needs of our diverse communities and most vulnerable residents Housing approximately 4,000 people in 2,200 units 18 community centres and halls providing services, programmes, spaces for hire, childcare and education services. 	
<p>5.3 Public health and safety</p> <p>5.3.1 Burials and cremations</p> <p>5.3.2 Public toilets</p> <p>5.3.3 Public health regulations</p> <p>5.3.4 City safety</p> <p>5.3.5 WREMO</p>	<ul style="list-style-type: none"> Maintaining health standards Activities that make people feel safe Safety (and child-friendly) 	<ul style="list-style-type: none"> Cemeteries at Karori and Makara with a crematorium at Karori Cemetery 70 public toilets, beach and sportsfields changing rooms/pavilions Regulating food and liquor outlets, animal, trade waste and managing environmental noise issues Maintaining WHO Safe City accreditation Provide a 'city hosts' service, managing graffiti and supporting community initiatives 	<p>These activities exist to mitigate and manage significant risks – from natural disasters, personal safety in the city, to unhealthy food preparation practices.</p> <p>These activities are necessary to ensure negative effects from other people's activities or from a natural disaster are controlled and managed.</p>

Social and Recreation Performance Measures

Social and Recreation	
Objectives	<p>Social cohesion</p> <p>Participation in city life</p> <p>Greater use of existing facilities</p> <p>Safety (and child- friendly)</p>
Outcome Indicators	<p>Residents' usage of City Council community and recreation facilities</p> <p>Residents' perceptions that Wellington offers a wide range of recreation activities</p> <p>Residents' frequency of physical activity</p> <p>Residents' perceptions that there are barriers to participating in recreation activities</p>

Residents' importance of sense of community in local neighbourhood Residents' usage of libraries and frequency of use Residents' engaging in neighbourly actions Housing Services tenants who report positive social contact Residents' perceptions - city and community safety issues of most concern Recorded crime and resolution rates - by categories Number of notifications of the most prevalent food and water-borne diseases Residents' life expectancy Food premises - number of cleaning notices and closures per year Percentage of food premises with an inspection rating of excellent or very good that maintain or improve their inspection rating Number of uses of Leisure Card Dog control - complaints received (% of registered dogs)					
5.1 Recreation Promotion and Support					
5.1.1 Swimming pools 5.1.2 Sportsfields 5.1.3 Sportsfields (synthetic) 5.1.4 Recreation Centres 5.1.5 Recreation partnerships 5.1.6 Playgrounds 5.1.7 Marinas 5.1.8 Golf course 5.1.9 Recreation programmes					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the quality and usage (quantity) of the recreation facilities we provide	User (%) satisfaction - swimming pools	90%	90%	90%	90%
	User (%) satisfaction - recreation centres and ASB centre	90%	90%	90%	90%
	User (%) satisfaction - sports fields (including artificial sports fields)	85%	85%	85%	85%
	Visits to facilities - swimming pools	1.248 m	1.260m	1.277m	Increasing trend
	Visits to facilities - recreation centres and ASB Centre	1.05m	1.06m	1.07m	1.08m
	ASB Centre courts utilisation (%)	45%	45%	46%	46%
		Winter	Winter	Winter	Winter 80%

Sportsfields - % of scheduled sports games and training that take place	80%	80%	80%	80%
	Summer	Summer	Summer	Summer
Marinas occupancy	90%	90%	90%	90%
	96%	96%	96%	96%
Artificial sports fields % utilisation - peak and off peak (summer and winter)	Peak Winter	Peak Winter	Peak Winter	Peak Winter
	80%	80%	80%	80%
	Peak Summer	Peak Summer	Peak Summer	Peak Summer
	40%	40%	40%	40%
	Off peak winter	Off peak winter	Off peak winter	Off peak winter
	25%	25%	25%	25%
Off peak summer	Off peak summer	Off peak summer	Off peak summer	
20%	20%	20%	20%	

5.2 Community Support					
5.2.1 Libraries					
5.2.2 Access support					
5.2.3 Community advocacy					
5.2.4 Grants (Social and Recreation)					
5.2.5 Housing					
5.2.6 Community centres and halls					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the quality and usage (quantity) of the housing services we provide	Tenant satisfaction (%) with services and facilities	90%	90%	90%	90%
	Tenant rating (%) of the overall condition of their house/apartment (good and very good)	90%	90%	90%	90%
	Tenant (%) sense of safety in their complex at night	75%	75%	75%	75%
	Occupancy rate of available housing facilities	90%	90%	90%	90%
	All tenants (existing and new) housed with policy	98%	98%	98%	98%
To measure the progress of the	Agreed milestones, design standards and budgets are met	To achieve	To achieve	To achieve	To achieve

Housing Upgrade Project	in accordance with the agreed works programme and Deed of Grant between the Crown and the Council				
To measure the quality and usage (quantity) of our community and recreation support services (including libraries)	Libraries - user (%) satisfaction with services and facilities	90%	90%	90%	90%
	E-library users satisfaction (%) with the online library collection	75%	75%	75%	75%
	Accessible Wellington Action Plan initiatives planned for next year	90%	90%	90%	90%
	The proportion of grants fund successfully allocated (through milestones being met)	95%	95%	95%	95%
	Proportion of outcomes delivered (previous projects) - weighted by \$ value	90%	90%	90%	90%
	Libraries - residents (%) who are registered members	75%	75%	75%	75%
	Libraries - physical visits	2.4m	2.4m	2.4m	2.4m
	Libraries - website visits	2.5m	2.5m	2.5m	2.5m
	Library items issued	3m	3m	3m	3m
	Occupancy rates (%) of Wellington City Council Community Centres and Halls	45%	45%	45%	45%
5.3 Public Health and Safety					
5.3.1 Burials and cremations					
5.3.2 Public toilets					
5.3.3 Public health regulations					
5.3.4 City safety					
5.3.5 WREMO					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the quality of our public health and	Dog control - urgent requests responded to within one hour and non-urgent within 24 hours	Urgent 100%	Urgent 100%	Urgent 100%	Urgent 100%
		Non	Non	Non	Non urgent

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safety services and programmes and our timeliness in responding to service requests	WCC public toilets - urgent requests responded to within four hours and non-urgent within three days	urgent 99% Urgent 100% Non urgent 95%	urgent 99% Urgent 100% Non urgent 95%	urgent 99% Urgent 100% Non urgent 95%	99% Urgent 100% Non urgent 95%
	WCC public toilets (%) that meet required cleanliness and maintenance performance standards	95%	95%	95%	95%
	Percentage of medium, high and very high risk premises that are inspected annually	100%	100%	100%	100%
	Percentage of inspections of medium, high and very high risk premises that are carried out during peak trading hours	25%	25%	25%	25%
	Graffiti removal - response timeframes met	80%	80%	80%	80%

Social and Recreation activity budget

5.1 Recreation promotion and support	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
5.1.1 - Swimming pools	19,174	20,476	20,919	20,874	224,972
5.1.2 - Sportsfields	3,339	3,405	3,472	3,482	36,938
5.1.3 - Sportsfields (Synthetic)	1,453	1,354	1,345	1,562	14,062
5.1.4 - Recreation centres	9,987	9,703	9,915	9,918	103,624
5.1.5 - Recreation partnerships	1,039	1,088	1,214	1,341	17,396
5.1.6 - Playgrounds	721	737	747	776	7,900
5.1.7 - Marinas	571	602	669	688	7,437
5.1.8 - Golf course	240	270	272	275	2,813
5.1.9 - Recreation programmes	483	282	287	291	3,166
Total operating expenditure	37,007	37,916	38,840	39,207	418,307
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
5.1.1 - Swimming pools	1,369	2,417	1,853	1,258	18,490
5.1.2 - Sportsfields	518	650	405	492	4,921
5.1.3 - Sportsfields (Synthetic)	50	560	1,399	-	6,281
5.1.4 - Recreation centres	26	260	77	347	2,669
5.1.5 - Recreation partnerships	352	3,468	3,085	3,058	21,525
5.1.6 - Playgrounds	610	414	455	328	3,929
5.1.7 - Marinas	96	558	141	204	3,748
5.1.8 - Golf course	-	-	-	-	-
5.1.9 - Recreation programmes	-	-	-	-	-
Total capital expenditure	3,021	8,325	7,414	5,688	61,562
5.2 Community support	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
5.2.1 - Libraries	20,787	20,843	22,323	23,885	256,779
5.2.2 - Access support (Leisure Card)	53	105	106	108	1,172
5.2.3 - Community advocacy	1,454	1,279	1,291	1,310	14,218
5.2.4 - Grants (Social and Recreation)	2,795	3,643	3,984	4,357	39,272
5.2.5 - Housing	25,417	25,540	25,512	26,788	283,444
5.2.6 - Community centres and halls	2,947	3,201	3,462	3,535	39,232
Total operating expenditure	32,666	54,611	56,677	59,983	634,117
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
5.2.1 - Libraries	2,530	5,627	8,838	11,895	46,990
5.2.2 - Access support (Leisure Card)	-	-	-	-	-
5.2.3 - Community advocacy	-	-	-	-	-
5.2.4 - Grants (Social and Recreation)	-	-	-	-	-
5.2.5 - Housing	36,647	29,121	23,492	7,876	153,225
5.2.6 - Community centres and halls	22	154	262	1,049	7,775
Total capital expenditure	39,199	34,902	32,592	20,819	207,990

5.3 Public health and safety	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
5.3.1 - Burials and cremations	1,637	1,648	1,724	1,786	19,664
5.3.2 - Public toilets	2,432	2,661	2,756	2,901	32,288
5.3.3 - Public health regulations	4,726	5,276	5,279	5,394	59,478
5.3.4 - City safety	2,138	2,674	2,717	2,763	29,800
5.3.5 - WREMO	1,387	1,337	1,372	1,456	15,542
Total operating expenditure	12,320	13,596	13,849	14,300	156,771
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
5.3.1 - Burials and cremations	280	635	315	384	4,033
5.3.2 - Public toilets	987	984	1,365	1,458	12,906
5.3.3 - Public health regulations	-	-	-	-	-
5.3.4 - City safety	-	-	-	-	-
5.3.5 - WREMO	43	52	-	279	365
Total capital expenditure	1,310	1,671	1,680	2,121	17,304

Draft subject to change

6. Urban development and 7 Transport

Tāone tupu ora me / Waka

By the numbers

46,300

Projected Wellington city population increase 2014-2043. This is an increase of 23%.

21,400

Projected increase in the number of dwellings in Wellington city 2013-2043. This is an increase of 27.4%.

94%

Increase in number of people cycling to and from work – 2001-2013

25%

Increase in number of people using buses to get to and from work – 2001-2013

The Council's urban development work includes urban planning, controlling building activity and land use, assessing risks from earthquake-prone buildings, and developing and enhancing public spaces.

Our transport work includes transport planning; managing the city's network of roads, cycleways and walkways; managing parking in the city; and promoting safety.

We fund these services because they matter to the lives of individual Wellingtonians and to the community as a whole.

Our work helps to make Wellington a compact, vibrant, attractive city in which it is easy to get from place to place.

This is essential for connections between people, their ability to interact with each other, and their enjoyment of the city and what it has to offer.

It is necessary for the economy, the ability of businesses to reach their markets, and to collaborate and innovate.

It is vital for the environment because a city with a smaller footprint produces fewer emissions and consumes fewer resources.

It is crucial for people's health and safety, in the buildings they live and work in, and in the roads, walkways and public spaces they use.

In the next ten years, the Council plans to spend more than \$1.2 billion (net) on transport and urban development.

We aim to manage development so the city remains compact, vibrant, attractive, safe and resilient, in which it's easy for people to connect with each other and to move from place to place.

The Council is one player among many in the city's built environment. Urban development and transport decisions also involve central and regional government, businesses, local communities, and individuals.

The Council's key roles are to provide public spaces and infrastructure, and to plan and control development so the city can support a strong economy and a high quality of life in an environment that is both attractive and sustainable.

All of our work involves partnerships with developers and home owners who want to build or extend, with commuters who want to get to and from work or school, with businesses taking goods to market and with everyone who lives, works and plays in the city.

Most urban development and transport services are publicly funded by local authorities and central government as they are core activities from which all residents benefit. Some services have a private component, in which case users are charged to cover at least part of the cost of providing the service for example Development Contributions.

Key projects

Better transport options

Wellington's transport network plays an important role in the region's economy by helping people to connect with each other and bringing goods to market.

An efficient transport network is also important for health and wellbeing, for connections between people, and the environment.

Though parts of Wellington's transport network perform well, others are struggling. There is congestion, particularly at peak times, on northern routes into and out of the city centre, and on the route from the city to the airport.

The network is also potentially vulnerable in the event of an earthquake or other major emergency, due to the limited number of routes into and out of the city.

The network also provides limited choice and currently support vehicle transport more effectively than other modes such as buses or bikes.

Addressing these issues will require a balanced approach with stronger public transport and cycle options alongside vehicle network improvements.

The Council is committed to work with others to see land transport network improvements implemented, so that residents can enjoy

safer, more convenient journeys, and the region's economic potential can be unlocked.

We are investing significantly in the coming years to improve the city's network of cycleways. We have set aside \$58 million over the next ten years to implement a city wide-network of cycling tracks.

Over the next ten years Council will also invest \$2 million for pedestrian improvements focussed on 'safer routes to schools'.

An additional \$1.1 million has also been allocated in 2015/16 to strengthen and recess the Karori Road retaining wall which will improve bus and cycle access.

Another key priority will be the implementation of the Wellington Regional Transport Plan, under which a high-frequency, low emission Bus Rapid Transit service will be introduced on key routes linking the central city to the Basin Reserve, Newtown and Kilbirnie. Detailed plans are still to be finalised and funding options will be considered in future annual plans.

Affordable buses

We are also proposing the introduction of subsidies to drive greater bus use.

We provide the network for buses but the service itself is the responsibility of the Greater Wellington Regional Council.

There has been low growth in the use of the service in recent years. Reliability, frequency and cost are key factors in uptake.

We are keen to trial a lower cost service and propose to introduce a capped fare at weekends in the lead up to the Christmas period. We have allocated \$200,000 towards this programme.

We also propose to part-fund a discount scheme for tertiary student bus fares. The project aims to enable more tertiary students to travel by bus. We've set aside \$75,000 for

the service and expect to see contributions from the regional council and support from the universities.

Vehicle network

Improvements are also needed to the vehicle network. We support NZTA's programme for Wellington, which aims to unlock the city's economic potential by improving transport routes into the city, and from the city to the airport. One of our top priorities will be to find a solution to Basin Reserve traffic congestion in a way that supports increased traffic flow while meeting community aspirations. The programme also includes duplicating or widening the Mount Victoria and Terrace tunnels.

Land transport initiatives are funded by Greater Wellington Regional Council, New Zealand Transport Agency, Wellington City Council, and users.

Other priorities include:

- Improving vehicle access to the Port of Wellington.
- Installing high-efficiency LED street lighting throughout the city, to reduce energy use and ongoing costs and we have set aside \$200,000 to further develop this initiative.
- Installing parking sensors to provide better parking information to support possible policy changes including flexible pricing. The cost of full implementation is approximately \$1.5 million, with expected savings of \$8 million over ten years.

Urban regeneration

Although Wellington has a vibrant Central Business District, parts of the inner city remain underdeveloped. Fragmented ownership and a shortage of capital combine to slow development that could otherwise unlock economic potential and bring social and environmental benefits.

Of particular significance is the 'growth spine', linking northern suburbs to the central city, the Basin Reserve, Newtown and Kilbirnie. By focusing future development along this spine, we can significantly increase housing supply and create vibrant, new, mixed-use city and suburban areas.

Focusing growth is also better for the environment, as it ensures that land is used efficiently, and reduces dependence on private cars.

In coming years, key projects will include:

- Redeveloping the south end of Adelaide Road into a vibrant, mixed-use neighbourhood with high quality public spaces, rapid bus links, and new developments featuring apartments, workplaces, shops and cafes
- Redeveloping Kent and Cambridge Terraces, with planting and streetscape improvements to give the Central Business District a 'green edge', to improve connections between the waterfront, Central Business District and the National War Memorial Park and to provide for more apartment and retail/commercial development.

Other urban development initiatives include:

- Upgrading inner city walkways to make them safer, more vibrant and attractive
- Establishing a \$600,000 'tactical urbanism' fund to support small-scale urban regeneration projects such as pop-up parks and outdoor performance spaces.

These projects will build on the considerable work done in the last ten years to upgrade the city's public spaces. These have included major projects such as the creation of Waitangi Park and National War Memorial Park, transformation of other waterfront spaces, the creation of several new inner city

parks, and upgrades of Kilbirnie, Miramar and other town centres.

Urban regeneration agency

To act as a catalyst for inner city regeneration, the Council is exploring opportunities to establish an urban development agency. This corporation would play an active role in regenerating the city.

Urban development agencies have proved successful internationally at driving urban regeneration. The success of Wellington's waterfront also shows the benefits of having a single organisation coordinating city development while working in partnership with other investors.

Establishing such an agency could allow us to:

- Speed up inner city regeneration
- Focus growth in targeted areas with strong transport links and other infrastructure
- Ensure that development aligns with other social, economic and environmental priorities
- Protect heritage through targeted investment and strengthening of earthquake-prone buildings

Protecting Wellington's heritage buildings

Heritage buildings make an important contribution to the city's character, but many require strengthening to make them safe in earthquakes. We support building owners by providing grants for earthquake strengthening. Over the next three years, we will provide a \$3 million to the Built Heritage Incentive Fund to increase the number of buildings that are being strengthened.

We will also be undertaking a heritage audit /study for Mt Victoria in 2015/16.

City Resilience

Our work to improve the resilience of the city (and region) will continue over the period of this Long-term Plan. Many actions are now largely 'business-as-usual' including on-going upgrades of key infrastructure, assessment of earthquake prone buildings, planning for emergency response and restoration of key life-lines, and planning for hazards and climate change. A new focus area will be the development of a comprehensive resilience strategy for the City's infrastructure and communities, including a particular focus on ensuring the city's economic resilience.

Revitalising Civic Precinct and strengthening the Town Hall

Civic Precinct is an important centre of Wellington's civic and cultural life. Several of the precinct's buildings now require strengthening to bring them closer to modern earthquake standards.

This creates an opportunity to refurbish and revitalise the square, opening it up to a wider range of uses and improving links with surrounding buildings and streets to make the square more lively and attractive. Key aspects of the plan include:

- Earthquake strengthening the Wellington Town Hall, the Wellington City Library, the office buildings currently occupied by the Council, and possibly the Capital E space.
- Establishing a national music hub in the Wellington Town Hall and Michael Fowler Centre and potentially other spaces in the precinct.
- Leasing Jack Illott Green and the Michael Fowler Centre car park sites (and possibly the Municipal Office Building) long-term to allow construction of new buildings or

site redevelopment, with income used to offset earthquake strengthening costs².

- Upgrading civic square and improving links with surrounding streets, and where possible providing green open space in the Civic Square precinct to compensate for the loss of Jack Illott Green.

The proposed lease of the Town Hall, Jack Illott Green and Michael Fowler Centre car park (and possibly the Municipal Office Building) will require specific Council approval.

Cheering up the streets and laneways

We are working with others to increase levels of economic activity and pedestrian movement along inner city lanes and streets.

The works will include physical improvements such as lighting in key locations and a rolling programme of low-cost, pop-up activities at changing locations across the city. Improvements to Lombard Lane are part of this wider programme of street and laneway upgrades and \$1.5 million has been budgeted in 2016/17 for this work.

Three year Waterfront Development Plan and redevelopment of Frank Kitts Park

Our three year Waterfront Development Plan is included in our Long-term Plan. Key aspects of the plan include:

- *Frank Kitts Park* – we are redeveloping the park, re-orienting its

² Note these sites are listed as Strategic Assets in the Council's Significance and Engagement Policy. The Council has followed the decision-making and consultation requirements required by section 97 of the Local Government Act 2002, to allow the Council to dispose of these sites by way of long-term lease

focus towards the harbour and integrating a long-planned Chinese Garden. The park, which will retain the name Frank Kitts Park, will include large areas of open lawn, along with a much improved children's play area.

We have budgeted \$5.5 million for the park's redevelopment.

- *North Kumototo* – completion of the development of North Kumototo public space and building on site 10.
- *Outer T* – develop a purpose built commercial helicopter facility on the Southern end of Queens Wharf outer T.

Refer to the Waterfront Development Plan in the appendices for more information.

Medium density housing

The Council has already created medium density residential zones in Johnsonville and Kilbirnie. Consultation with residents in Karori and Tawa will determine the extent to which medium density housing may be suitable for those communities.

We are working with the local communities to identify aspects of the town centres which could be improved to better accommodate an increased population. Benefits could include: increases housing supply, choice and affordability; improved use of public transport, walking and cycling; and optimised use of existing infrastructure and facilities.

More detailed information on our urban development projects and programmes is in the Council's Urban Growth Plan at <http://wellington.govt.nz/your-council/plans-policies-and-bylaws/policies>

1st place

In a 2014 survey of six NZ cities, Wellington residents were much more likely than residents of other cities to:

- perceive their city and local area as great places to live
- be proud of the look and feel of their city and local area
- to be positive about their city's urban design, including the quality of buildings and public spaces.

Wellingtonians use public transport more often, and private cars less often, than residents of other cities.

Transport and Urban Development group of activities

Group of Activities	Rationale	Service Offering	Negative effects
<p>6.1 Urban planning, heritage and public spaces development (including Waterfront development)</p> <p>6.1.1 Urban planning and policy development</p> <p>6.1.2 Waterfront development</p> <p>6.1.3 Public spaces and centres development</p> <p>6.1.4 Built heritage development</p>	<ul style="list-style-type: none"> Smart growth/urban containment Resilience Character protection 	<ul style="list-style-type: none"> Guiding where and how the city grows through the District Plan Maintaining Wellington’s sense of place and pride by preserving the city’s heritage and developing public spaces including the Waterfront Key projects include: <ul style="list-style-type: none"> Frank Kitts Park upgrade Adelaide Road regeneration Kent and Cambridge Terraces urban regeneration project 	<p>Population growth and urban development, if not well managed, can have negative effects on a city’s environment and on social well-being. Left unchecked, growth can result in a reduction of open and green spaces with consequences for recreational opportunities, amenity and even some ecosystems.</p> <p>Development in the wrong areas, or the wrong types of development, can place strain on infrastructure and reduce people’s ability to access services and enjoy the opportunities the city offers. Poorly-planned growth and poor development and construction of individual buildings can reduce the attractiveness of the city and the ‘sense of place’ that people identify with and it can have a direct impact on people’s safety. As explained above, we aim to avoid or mitigate these negative effects by guiding future development into areas where the benefits are greatest and the negative effects least.</p> <p>The tools we use include planning, working with landowners, direct investment in development of public spaces, and using our regulatory powers under legislation such as the Building Act and Resource Management Act.</p>

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Group of Activities	Rationale	Service Offering	Negative effects
<p>6.2 Building and development control</p> <p>6.2.1 Building control and facilitation</p> <p>6.2.2 Development control and facilitation</p> <p>6.2.3 Earthquake risk mitigation – built environment</p>		<ul style="list-style-type: none"> • Ensuring building are safe in accordance with the Building Act • Ensuring natural resources are used sustainably in line with the Resource Management Act 	<p>These activities exist to mitigate and manage risks from development, construction, weather-tight homes issues and from earthquakes.</p> <p>Development and construction, if not well managed, can have negative effects on a city’s environment and on social well-being, and on the safety of individuals.</p> <p>Development in the wrong areas, or the wrong types of development, can place strain on infrastructure and reduce people’s ability to access services and enjoy the opportunities the city offers.</p> <p>Poorly-planned growth, and poor development and construction of individual buildings, can reduce the attractiveness of the city and the ‘sense of place’ that people identify with and it can have a direct impact on people’s safety.</p> <p>Our quake-prone building assessment programme is focused on ensuring quake-prone buildings are strengthened to required standards to ensure the safety of those that occupy the building and its surrounds</p>

Group of Activities	Rationale	Service Offering	Negative effects
<p>7.1 Transport</p> <p>7.1.1 Transport planning</p> <p>7.1.2 Vehicle network</p> <p>7.1.3 Cycle network</p> <p>7.1.4 Passenger transport network</p> <p>7.1.5 Pedestrian network</p> <p>7.1.6 Network-wide control and management</p> <p>7.1.7 Road safety</p>	<ul style="list-style-type: none"> Increased active mode share Road safety Reliable transport routes Reduced emissions 	<ul style="list-style-type: none"> 54 road bridges (road and pedestrian) and 5 tunnels 2,397 walls, 450 bus shelters & 18,000 street lights 24.3km of cycle ways 858km of pedestrian paths 680km of road pavements 132km of handrails, guardrails and sight rails 1500 hectares of road corridor land 21,499 signs and traffic signals Lincolnshire Farm link roads Cycleways 	<p>With any transport system, the potential negative effects are significant. In particular, there are environmental costs, ranging from air and noise pollution to surface water runoff from roads that may carry contaminants (by-products of tyres, brakes and engines and deposition from exhaust gases) into the stormwater system. This environmental impact is linked to the number of vehicles on the road, however the dominant impact is the surrounding land uses, which direct stormwater run-off to the road. There are also potential negative effects from individual projects: for example, construction of any new road has effects on neighbours and neighbourhoods.</p> <p>Dealing with these effects is complex. Some issues, such as vehicle emission standards, are properly dealt with at a national level. Others, such as air and water quality, are regional issues. Of those issues that can be dealt with at a local level, we seek to reduce the cause of the negative effects where possible. At present there are few statutory requirements for road controlling authorities to mitigate contaminants in road runoff before it is discharged to the receiving environment.</p> <p>This Council does monitor the effects of stormwater run-off on aquatic receiving environments to ensure that adverse effects are avoided, remedied or mitigated.</p> <p>Other potentially significant negative effects we must</p>

Group of Activities	Rationale	Service Offering	Negative effects
			consider include: <ul style="list-style-type: none"> The timing of road works and other improvements. These can impact on local businesses but may also affect growth opportunities. Our transport planning is designed to minimise the impact and focus our work in growth areas. Safety. The transport network brings pedestrians, cyclists and vehicles together. This presents hazards to users. We've developed road safety programmes and design solutions to reduce the likelihood and severity of accidents.
7.2 Parking 7.2.1 Parking	<ul style="list-style-type: none"> Enabling people to shop, work and access recreation activities 	<ul style="list-style-type: none"> 12,000 on-street parking spaces, 3,400 of which are in the Central Business District Street spaces for taxis, couriers, people with disabilities, bus stops and diplomatic services Managing off-street parking at Clifton Terrace, the Michael Fowler Centre, and beneath Civic Square 	

Urban Development Performance Measures

Urban Development	
Objectives	Smart growth / urban containment Resilience Character protection
Outcome Indicators	Residents' perceptions that Wellington is a great place to live, work and play Value of residential and commercial building consents

<p>Population - growth and density (central city, growth spine)</p> <p>Residents' perceptions of the city centre as an easy place to get to, use and enjoy</p> <p>Residents' perceptions of urban design/urban form safety issues (i.e. Graffiti, vandalism, Poorly lit public spaces, etc.)</p> <p>Building density throughout the city</p> <p>Proportion of houses within 100metres of a public transport stop</p> <p>Residents' perceptions that heritage items contribute to the city and local communities' unique character</p> <p>New Zealanders' perceptions that Wellington is an attractive destination</p>					
<p>6.1 Urban Planning, Heritage and Public Spaces Development (including Waterfront Development)</p> <p>6.1.1 Urban planning and policy development</p> <p>6.1.2 Waterfront development</p> <p>6.1.3 Public spaces and centres development</p> <p>6.1.4 Built heritage development</p>					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the quality of our urban planning, heritage protection and development work	Residents (%) who agree the city is developing in a way that maintains high quality design	Baseline	Increase from previous year	Increase from previous year	increasing trend
	District Plan listed items that are removed or demolished	Nil	Nil	Nil	Nil
	Residents (%) who agree the central city is lively and attractive	87%	87%	87%	87%
	Residents (%) who agree their local suburban centre is lively and attractive	60%	60%	60%	60%
	Residents (%) who rate their waterfront experience as good or very good	90%	90%	90%	90%
	The proportion of grants funds successfully allocated (through milestones being met)	95%	95%	95%	95%
	Residents (%) who agree heritage items are appropriately valued and protected	65%	65%	65%	65%

6.2 Building and Development Control					
6.2.1 Building control and facilitation					
6.2.2 Development control and facilitation					
6.2.3 Earthquake risk mitigation - built environment					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure the timeliness of our building and development control services	Building consents issued within 20 working days	100%	100%	100%	100%
	Code of Compliance Certificates issued within 20 working days	100%	100%	100%	100%
	Land Information Memorandums (LIMs) issued within ten working days	100%	100%	100%	100%
	Resource consents (non-notified) issued within statutory timeframes	100%	100%	100%	100%
	Resource consents that are monitored within three months of project commencement	90%	90%	90%	90%
	Subdivision certificates - Section 223 certificates issued within statutory timeframes	100%	100%	100%	100%
	Noise control (excessive noise) complaints investigated within one hour	90%	90%	90%	90%
	Environmental complaints investigated within 48 hours	98%	98%	98%	98%
To measure the quality of our building and development control	Customers (%) who rate building control services as good or very good	70%	70%	70%	70%
	Building Consent authority				

services	(BCA) accreditation retention (2-yearly)	To retain	n/a	To retain	n/a
To measure our progress on earthquake risk mitigation	Earthquake prone building notifications (section 124) (%) that are issued without successful challenge	95%	95%	95%	95%

Transport Performance Measures

Transport					
Objectives	Increased active mode share Road safety Reliable transport routes Reduced emissions				
Outcome Indicators	Residents' perceptions that peak traffic volumes are acceptable Residents' perceptions that the transport system allows easy access to the city Residents' perceptions of quality and affordability of public transport services Air quality monitoring (i.e. Nitrogen dioxide, carbon monoxide, and particulate matter peaks) Change from previous year in the number of road crashes resulting in fatalities and serious injury.* Social cost of crashes Residents perceptions of transport related safety issues (i.e. Issues of most concern) Number of cyclists and pedestrians entering the Central Business District (weekdays) Residents (%) who agree the transport system allows easy movement around the city - vehicle users and pedestrians				
7.1 Transport					
7.1.1 Transport planning 7.1.2 Vehicle network 7.1.3 Cycle network 7.1.4 Passenger transport network 7.1.5 Pedestrian network 7.1.6 Network-wide control and management 7.1.7 Road safety					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25

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To measure the quality and timeliness of the transport infrastructure and service	Residents condition (%) rating of the network - roads and footpaths (good or very good)	R: 75% F: 75%	R: 75% F: 75%	R: 75% F: 75%	R: 75% F: 75%
	Requests for service response rate - urgent (within two hours) and non-urgent (within 15 days)*	Urgent: 100% non-urgent: 100%	Urgent: 100% non-urgent: 100%	Urgent: 100% non-urgent: 100%	Urgent: 100% non-urgent: 100%
	Roads (%) which meet smooth roads standards (smooth roads - measured by Smooth Travel Exposure based on NAASRA counts)*	70%	70%	70%	70%
	Footpath (%) condition rating (measured against WCC condition standards)*	97%	97%	97%	97%
	Street lighting (%) for major roads (arterial, principal and collector roads) meets national standards)	100%	100%	100%	100%
	Residents' satisfaction (%) with street lighting in the central city and suburban areas	Central: 85% Suburbs:75%	Central: 85% Suburbs:75%	Central: 85% Suburbs:75%	Central: 85% Suburbs:75%
	Sea wall and retaining wall condition rating - walls (%) rated three or better (one-1 very good, five very bad)	90%	90%	90%	90%
	Percentage of the sealed local road network that is resurfaced* *DIA Mandatory measure	10%	10%	10%	10%
7.2 Parking					
7.2.1 Parking					
Purpose of measure	Performance measure	2015/16	2016/17	2017/18	2018-25
To measure	On-street car park turn-over	Week: 6.8	Week: 6.8	Week: 6.8	Week: 6.8

the quality of our parking provision	rates - weekdays and weekends	Weekend:5.2	Weekend:5.2	Weekend:5.2	Weekend:5.2
	On-street car park average occupancy	75%	75%	75%	75%
	On-street car park compliance - time restrictions and payment	Time: 95% Payment: 90%	Time: 95% Payment: 90%	Time: 95% Payment: 90%	Time: 95% Payment: 90%
	Residents' perceptions (%) that parking enforcement is fair	Increase from previous year			

Urban Development activity budget

6.1 Urban planning, heritage and public spaces development	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
6.1.1 - Urban planning and policy	1,819	2,277	2,217	1,995	22,256
6.1.2 - Waterfront development	11,226	972	991	1,011	11,131
6.1.3 - Public spaces and centres development	1,763	2,169	2,148	2,185	22,427
6.1.4 - Built heritage development	1,026	1,498	2,007	1,767	12,875
Total operating expenditure	15,834	6,916	7,362	6,958	68,688
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
6.1.1 - Urban planning and policy	-	-	-	-	-
6.1.2 - Waterfront development	2,712	6,843	7,105	4,184	56,657
6.1.3 - Public spaces and centres development	1,984	1,425	2,456	928	84,214
6.1.4 - Built heritage development	-	-	-	-	-
Total capital expenditure	4,696	8,268	9,561	5,112	140,871

6.2 Building and development control	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
6.2.1 - Building control and facilitation	12,801	13,809	14,012	13,646	148,600
6.2.2 - Development control and facilitation	5,728	5,981	6,112	6,221	67,628
6.2.3 - Earthquake risk mitigation - built environment	1,469	1,710	1,598	1,959	20,140
Total operating expenditure	19,998	21,500	21,722	21,825	236,368
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
6.2.1 - Building control and facilitation	-	-	-	-	-
6.2.2 - Development control and facilitation	-	-	-	-	-
6.2.3 - Earthquake risk mitigation - built environment	17,651	5,940	6,502	26,108	69,715
Total capital expenditure	17,651	5,940	6,502	26,108	69,715

Draft subject to change

Transport Activity Budget

7.1 Recreation promotion and support	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
7.1.1 - Transport planning	1,108	1,144	817	712	6,660
7.1.2 - Vehicle network	23,136	22,645	23,543	25,858	301,520
7.1.3 - Cycle network	692	1,660	1,803	2,371	28,455
7.1.4 - Passenger transport network	1,612	1,720	4,036	1,653	22,315
7.1.5 - Pedestrian network	6,579	6,548	6,583	7,018	79,088
7.1.6 - Network-wide control and management	6,285	6,799	6,874	7,040	72,621
7.1.7 - Road safety	5,971	6,095	6,067	6,325	68,712
Total operating expenditure	45,383	46,612	49,721	50,977	579,372
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
7.1.1 - Transport planning	-	-	-	-	-
7.1.2 - Vehicle network	24,565	23,017	19,479	25,300	286,755
7.1.3 - Cycle network	4,352	5,673	12,001	17,071	57,704
7.1.4 - Passenger transport network	161	145	902	1,140	22,859
7.1.5 - Pedestrian network	3,851	4,583	3,851	5,269	60,631
7.1.6 - Network-wide control and management	2,055	2,804	1,230	1,275	16,013
7.1.7 - Road safety	2,729	2,352	3,360	2,973	36,933
Total capital expenditure	37,713	38,573	40,823	53,028	480,894

7.2 Parking	2014/15 AP 2014/15 Gross Expenditure	2015-25 LTP 2015/16 Gross Expenditure	2015-25 LTP 2016/17 Gross Expenditure	2015-25 LTP 2017/18 Gross Expenditure	2015-25 LTP 10- year total Gross Expenditure
Operating expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
7.2.1 - Parking	11,936	13,404	13,358	13,619	154,210
Total operating expenditure	11,936	13,404	13,358	13,619	154,210
Capital expenditure	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
7.2.1 - Parking	180	1,449	496	298	8,842
Total capital expenditure	180	1,449	496	298	8,842

Council Controlled Organisations

Wellington Regional Stadium Trust

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>All of the trustees are jointly appointed by the Council and Greater Wellington Regional Council (GWRC).</p> <p>As at 1 July 2015, they are John Shewan (Chair), Councillor Nigel Wilson (GWRC), Liz Dawson, Susan Elliott, Steven Fyfe, Mark McGuinness, Rachel Taulelei and Councillor Simon Marsh (WCC).</p> <p>The Chief Executive is Shane Harmon.</p>	<p>The Wellington Regional Stadium Trust owns, operates and maintains the Stadium as a high-quality multi-purpose sporting and cultural venue. It provides facilities to be used for rugby, cricket and other sports codes, musical and cultural events, and other users including sponsors and event and fixture organisers.</p>	<p>Operates the Stadium.</p> <p>Manages the event programme and seeks opportunities to provide regular quality events.</p> <p>Ensures the Stadium is provided to the community for appropriate usage.</p> <p>Administers the Trust assets and the Stadium on a prudent commercial basis.</p>	<p>Number of events</p> <p>Total revenue</p> <p>Event revenue</p> <p>Net surplus</p>

Note: the Wellington Regional Stadium Trust is not formally defined as a Council Controlled Organisation. This plan for their activities is presented to recognise the interest that Wellington city ratepayers have in the Trust and its activities.

WELLINGTON REGION ECONOMIC DEVELOPMENT AGENCY

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>WREDA is the new regional economic development agency for the region, combining the economic development activities of Wellington City Council and the Greater Wellington Regional Council into one organisation.</p> <p>The Wellington City Council is an 80% shareholder, and the Greater Wellington Regional Council is a 20% shareholder</p> <p>As at 1 July 2015, the board members are Peter Biggs (Chair), Helen Anderson, Matt Clarke, Sarah Gibbs, Prof. Grant Guilford, Richard Laverty, Paul Mersi, Thomas Pippos and Lorraine Witten.</p> <p>The Chief Executive is Chris Whelan.</p>	<p>WREDA is a new economic development agency that brings together the region's economic development agency (Grow Wellington) with existing city tourism (Positively Wellington Tourism) and venues (Positively Wellington Venues) agencies, and the Wellington City Council's major events activities.</p> <p>The benefits to the region of a single agency include: one voice, clearer focus, better use of resources, and improved scale and capacity.</p>	<p>To be confirmed on approval of SOI</p>	<p>To be confirmed on approval of SOI</p>

WELLINGTON MUSEUMS TRUST

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>All trustees are appointed by the Council.</p> <p>As at 1 July 2015, they are Quentin Hay (Chair), Councillor Nicola Young, Jackie Lloyd, Rachel Farrant, and Jill Wilson.</p> <p>The Chief Executive is Pat Stuart.</p>	<p>The Wellington Museums Trust (WMT) was established in 1995 to promote and manage the City Gallery Wellington, the Museum of Wellington City and Sea, the Colonial Cottage, Capital E, the Wellington Cable Car Museum, and the Carter Observatory.</p> <p>WMT manages its facilities, establishes exhibition programmes and education policies for its facilities, and develops acquisition, deaccession and collection development policies for its collections and artefacts.</p>	<ul style="list-style-type: none"> • Deliver high quality experiences, events and exhibitions at its facilities. • Manage conservation and care for the objects of its collections, and conduct research and development to enhance visitors' experiences. • Offer quality education experiences to children and young people. • Promote and protect the heritage of venues. <p>Work with national and international artists and collectors.</p>	<p>Attendance:</p> <ul style="list-style-type: none"> • City Gallery • Capital E • Museum of Wellington • Cable Car Museum • Carter Observatory <ul style="list-style-type: none"> • Subsidy per visitor • Revenue per visitor • Total ownership cost to Council • Percentage of visitors who rate the quality of their experience as good or very good • Percentage of visitors that are repeat visitors

WELLINGTON CABLE CAR LIMITED

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>The Council is the 100% shareholder in this company and appoints all of the directors.</p> <p>As at 1 July 2015, they are Council officers Anthony Wilson and Andy Matthews.</p> <p>The Chief Executive is Simon Fleisher.</p>	<p>Wellington Cable Car Limited owns and operates the Cable Car.</p> <p>It also owns and maintains the overhead wiring system for the trolley bus passenger network which services the city.</p>	<ul style="list-style-type: none"> • Maintain the cable cars and associated track, plant, tunnels, bridges and buildings in accordance with best engineering practice, and to meet the certification requirements of the New Zealand Transport Agency. • Market and manage the cable car passenger service operation. • Manage the contract for the inspection, maintenance and repair of the trolley bus overhead wiring system. 	<ul style="list-style-type: none"> • Cable car passenger numbers • Cable car service reliability • Percentage of users who rate the standard and operational reliability of the Cable Car as good or very good

Draft subject to change

WELLINGTON WATER LIMITED

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>Wellington Water was established in September 2014 and was formed by the merger of Greater Wellington Regional Council's water supply group with Capacity Infrastructure Services, which was owned by Hutt, Porirua, Upper Hutt and Wellington city councils. The five local authorities are joint and equal owners of Wellington Water.</p> <p>Each council owns its respective water, storm water and waste water assets and determines the level and standard of services to be provided to its customers and ratepayers.</p> <p>As at 1 July 2015, the Directors are John Strahl (Chair), Nicki Crauford, Ian Hutchings and Raveen Jaduram.</p> <p>The Chief Executive is Colin Crampton.</p>	<p>To manage the provision of water services (water supply, storm water and wastewater) to the residents and businesses in the areas served by its customers.</p> <p>Wellington Water's customers are Wellington City Council, Hutt City Council, Porirua City Council and Upper Hutt City Council.</p>	<p>Provide high quality, safe and environmentally sustainable services to shareholding councils and other customers with a focus on contracted service delivery for the operation, maintenance and on-going development of drinking water, storm water and waste water assets and services, and asset management planning.</p>	<ul style="list-style-type: none"> • Provide a reliable water supply, wastewater and storm water management service. • Deliver budgeted capital expenditure projects for its shareholding councils. • Deliver budgeted operating and maintenance activities for its shareholding councils. • Comply with relevant standards, legislation and resource consents.

WELLINGTON ZOO TRUST

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>The Wellington Zoo Trust was established on 1 July 2003 and all of the trustees are appointed by the Council.</p> <p>As at 1 July 2015, they are Ross Martin (Chair), Frances Russell, Linda Meade, Raewyn Bleakley, Craig Ellison, and Councillor Sarah Free.</p> <p>The Chief Executive is Karen Fifield.</p>	<p>The Wellington Zoo Trust manages the assets and operations of Wellington Zoo for the benefit of the residents of Wellington and visitors to the city. It promotes species conservation, educates the community by building an awareness of plant and animal species, and supports the conservation and educational activities of other organisations.</p>	<ul style="list-style-type: none"> • Cares for resident animals and manages the animal collection. • Provides a high-quality visitor experience • Participates in captive management breeding and breed-for-release programmes. • Develops and maintains high quality animal exhibits. • Delivers educational material and learning experiences. • Contributes to zoological, conservation and facilities management research projects. 	<ul style="list-style-type: none"> • Number of visitors • Conservation Programme Managed Species (% of total collection) • Average WCC subsidy per visitor • Total ownership cost to Council • Average income per visitor • Ratio of generated Trust income as % of WCC grant

BASIN RESERVE TRUST

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>There are four trustees, of whom two are appointed by the Council and two by Cricket Wellington.</p> <p>As at 1 July 2015, the two trustees appointed by the Council are Councillor Paul Eagle and Sir John Anderson (Chair). The two trustees appointed by Cricket Wellington are Don Neely and John Greenwood.</p> <p>The Chief Executive is Peter Clinton.</p>	<p>The Basin Reserve Trust manages and operates the Basin Reserve to continue to attract national and international sporting events to Wellington.</p>	<ul style="list-style-type: none"> • Manages the Basin Reserve for recreational activities and the playing of cricket for the residents of Wellington. • Contributes to the events programme for Wellington. • Operates as a successful not-for-profit undertaking. • Preserves and enhances the heritage value of the Basin Reserve. 	<p>Number of events</p> <ul style="list-style-type: none"> • Cricket • Other sports • Community <p>Number of event days</p> <ul style="list-style-type: none"> • Cricket • Other sports • Community <p>Attendance figures</p>

Draft subject to change

AMBTON HARBOUR MANAGEMENT LIMITED (trading as Wellington Waterfront Limited)

STRUCTURE	OBJECTIVES	ACTIVITIES	PERFORMANCE INDICATORS
<p>The Council is the 100% shareholder in this company and appoints all of the directors.</p> <p>As at 1 July 2015, they are council officers Kevin Lavery (chair), Derek Fry, Andy Matthews and Greg Orchard.</p> <p>On 1 April 2014, the external Board of Wellington Waterfront Limited was disestablished.</p>	<p>Wellington Waterfront Limited holds the assets of the Wellington Waterfront project (as defined in the Wellington Harbour Board and Wellington City Council Vesting and Empowering Act 1987) as bare Trustee for the Council.</p>	<p>Since 1 July 2014, Wellington Waterfront Limited has functioned as a holding company for Waterfront assets.</p>	<p>Not Applicable</p> <p>The day to day operations formerly delivered by Wellington Waterfront Limited were transferred to Council with the activities for each year detailed within the annual Waterfront Development Plan</p> <p>The Council terminated the management agreement with Wellington Waterfront Limited that appointed it as the implementation agency for the Waterfront on 30 June 2014.</p>

Wellington Waterfront Development Plan – 3 years (2015/16–2017/18)*

Context

The Waterfront Development Plan (WDP) outlines the Council's work programme to implement the objectives of the Wellington Waterfront Framework (2001)³. The WDP is required by the Framework and is the way the Council develops the work plan for the waterfront and approves funding for the waterfront project.

The Framework requires transparency and a willingness to engage with the public about how the waterfront is developed. A balance must be set between making good progress on the waterfront and providing the public with sufficient opportunity to be involved. The Council consulted on the draft WDP (alongside the 2015/25 draft LTP) to obtain community feedback and views on its plans for the waterfront and associated funding, before agreeing this plan.

For projects that are at an early or investigative stage, there will be further opportunity for consultation and obtaining feedback and views prior to the Council making a final decision on whether a particular project will proceed. In addition, most applications for resource consent are publicly notified so that provides a further opportunity for public engagement and input.

Implementation of the WDP is the responsibility of City Shaper (and other Council business units). City Shaper is a Council business unit which was established following the decision by the Council in December 2013 to bring the implementation of the waterfront project in-house from 1 July 2014. This was given effect by terminating the management agreement the Council had with Wellington Waterfront Ltd (WWL) and transferring the staff of WWL to the Council.⁴

This WDP covers the three-year period from 1 July 2015. This 3 year plan will be reviewed annually (ie in years 2 and 3 as part of the 2016/17 and 2017/18 Annual Plans).

³ The principles and objectives of the Wellington Waterfront Framework were reviewed by Council in 2011 and endorsed as still being a relevant and appropriate blueprint for the future of the waterfront.

⁴ Wellington Waterfront Ltd remains a Council controlled organisation and owns the Waterfront assets which it holds on trust for Wellington City Council

*See Volume 2: Significance and Engagement Policy: List of Strategic Assets

What is planned for the next 3 years

There are many proposed and on-going projects, all with different complexities, and in some cases, the potential to be interrelated. Some work needs to be done sequentially because of physical requirements to maintain the waterfront experience as much as possible during construction or to coincide with neighbouring development activities. There may sometimes be financial implications that justify undertaking one piece of work before another. Further, sufficient flexibility must be built in to respond to good ideas or proposals in a timely manner, should they arise.

The following **key projects** are planned for the next 3 years.

The Promenade: Development of the promenade as the spine that connects the waterfront is on-going. The proposed redevelopment of the north Kumutoto public space which will coincide with the proposed redevelopment of site 10 will not only significantly improve the promenade for pedestrians and cyclists but also improve connectivity with CentrePort and the stadium to the north.

Subject to resource consent for the site 10 building and adjacent public space including the promenade being obtained, works will commence in 2016/17 and will be completed in 2017/18.

Refer to north Kumutoto below for further detail, including budget amounts.

Seawall and Wharf Maintenance: Many of the waterfront's wharves are timber structures that are over 100 years old and require periodic maintenance to ensure they are kept to a satisfactory standard to provide sufficient levels of service appropriate to their use.

Seawalls are also critical assets and many of which date back to the early 1900's are heritage listed as important links with Wellington's past. The redevelopment of public space on the waterfront often provides the opportunity to undertake remedial work identified in periodic condition surveys these assets.

Further maintenance of these essential elements of the waterfront is planned for each of the next three years with an allocated budget sum of \$2.839 million.

Capex Budget (\$000):	2015/16	2016/17	2017/18
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\$ 329 \$ 850 \$1,660

Waitangi Precinct: The redevelopment of Clyde Quay Wharf and public space will be all but complete as we enter the 2015/16 financial year.

Taranaki Street Wharf Precinct: The provision of a public toilet and change facility is proposed in 2015/16 to complement the popular jump platform.

Capex Budget (\$000):	2015/16	2016/17	2017/18
	\$ 400	\$ 0	\$ 0

Frank Kitts Park Precinct: Successive Waterfront Development Plans since 2007 have signalled the redevelopment of Frank Kitts Park.

The Council approved the Garden of Beneficence design for the proposed redevelopment of Frank Kitts Park in December 2007. The design include the redevelopment of the children’s playground, the Main Lawn and construction of the Chinese Garden, subject to the Wellington Chinese Garden Society (WCGS) meeting the costs of the Chinese Garden and Council costs. The project did not progress due to the global financial crisis and delays in the WCGS’s fundraising.

The Council will implement the agreed Garden of Beneficence concept design which redevelops Frank Kitts Park with three key components - the Chinese Garden, the Main Lawn and the Children’s Playground. We will first move to develop a design and apply for resource consent. The developed design will incorporate and address the feedback from consultation on the design, the issues highlighted below and the recommendations from Council’s Technical Advisory Group.

Chinese Garden

The Wellington Chinese Garden Society and sister cities Beijing and Xiamen are funding the Chinese garden element of the project.

Children’s Playground

Revision of the children’s playground design was referred to user group consultation and feedback in mid-2014 and resulting suggested improvements will be incorporated at the detailed design stage.

The Main Lawn

Further consideration will be given to the central Main Lawn area ensuring appropriate integration with the playground and Chinese garden, including spaces that are protected from weather elements to optimise casual lunchtime use as well as suitable events space.

Resource consent for the redevelopment of Frank Kitts Park will be applied for in the first half of the 2015/16 year and construction is likely to be undertaken over the 2015/16 and 2016/17 years.

Capex Budget (\$000):	2015/16	2016/17	2017/18
	\$3,500	\$2,050	\$ 0

Queens Wharf Precinct: Master planning for this area was completed and presented to the Council in 2011. With the exception of conversion of Shed 6 to the temporary convention centre, nothing has been progressed in the intervening period. The external refurbishment of shed 6 and TSB Arena will be completed in the 2015/16 financial year.

Capex Budget (\$000):	2015/16	2016/17	2017/18
	\$2,300	\$ 0	\$ 0

Investigations into the establishment of more recreational activities in the Shed 6 harbour basin are ongoing.

Appropriate opportunities to breathe new life into Shed 1, the north end of Shed 6 and the outer-T of Queens Wharf will be sought.

The long established 'Helipro' commercial helicopter business based in Shed 1 and the outer-T was placed in receivership in November 2014. Following a competitive selection process in early 2015, the Council has selected Garden City Helicopters as the operator from the Outer -T. We are proposing a purpose-built helicopter facility on the southern end of the Outer -T along the lines of what was proposed in the 2009 Blue Skies Ideas Competition. Prior to proceeding with this proposal, the Council will approve the design, lease and commercial terms.

Kumutoto Precinct: Following the Council's approval of the development and lease agreement for sites 9 & 10 and subject to the successful outcome of the resource consent application, detailed development of the design of the public space will commence in 2015/16. Construction of the public

space is likely to commence in 2016/17 approximately 6 – 9 months after the proposed commencement of construction of the site 10 building.

During the developer selection process, no proposals for site 9 were recommended to the Council by the previous WWL board and TAG. As a consequence, in conjunction with the development agreement for site 10, Willis Bond has a two year option to submit a suitable development proposal for WCC consideration. However if, the Council wishes to progress development plans for site 9 before the end of the two year period, there is a mechanism to do this. All future proposals for site 9 will be subject to public consultation and Council approval.

Capex Budget (\$000):	2015/16	2016/17	2017/18
	\$ 0	\$3,075	\$2,100

Motorhome Park: The proposed relocation of the Wellington Waterfront Motorhome Park to adjacent CentrePort owned land to enable redevelopment of site 10 has been allowed for in the 2015/16 year.

Capex Budget (\$000):	2015/16	2016/17	2017/18
	\$ 350	\$ 0	\$ 0

Movie Museum: Investigations into the development and feasibility of a movie museum on the waterfront as a major Wellington attraction are ongoing and if this progresses, there will be public consultation as required by the Wellington Waterfront Framework.

Other Capital Renewals & General Planning: An ongoing programme of repairs and maintenance, capital expenditure and renewals relating mainly to addressing seismic and resilience issues, public space lighting, bridge painting and historic wharf cranes repainting will be ongoing throughout the period in accordance with our Asset Management Plan.

Capex Budget (\$000):	2015/16	2016/17	2017/18
	\$ 560	\$ 308	\$ 210

How we'll measure our performance

The overall success of the waterfront will be measured by the achievement of the principles and objectives outlined in the Waterfront Framework.

The framework has set seven objectives for the waterfront:

- The waterfront is locally and internationally recognised for its design.
- The waterfront is readily accessible to all people.
- The waterfront is and is perceived to be, safe at all times.
- The waterfront is seen as an attractive place that draws Wellingtonians and visitors alike.
- The waterfront successfully caters for a wide range of events and activities.
- Significant heritage buildings are protected on the waterfront.
- Activities on the waterfront are integrated with those on the harbour.

Periodic independent surveys of public opinion consistently show satisfaction and approval ratings in excess of 90%. We will continue to strive to maintain and improve these ratings.

Design outcomes will continue to be monitored by the Council's Technical Advisory Group, an independent provider of design advice for the Council. Drawing on the architecture, landscape architecture and urban design expertise of its members, TAG ensures that the Framework principles have been applied consistently in the design of buildings and public space⁵.

We will also continue to place increased emphasis on our place-making activities to create an even stronger sense of place through:-

- A diverse offering of activities and development
- Improved access along the waterfront and between the city and the harbour
- An evolving waterfront experience that is mindful of its historic past and its future
- A consultative process that encourages participation by interested and affected groups and individuals

⁵ TAG was appointed by Council in 2001 to ensure that Council decisions comply with the Framework. TAG has specific advisory and recommendatory roles and functions and is also delegated decision-making on certain public space proposals.

Statement of city housing portfolio assessment framework*

The Council is undertaking a significant upgrade of its social housing stock. This will require administrative decisions from time to time in relation to the disposal and reinvestment back into the housing portfolio.

The Council manages its City Housing Portfolio using the 'City Housing Portfolio Assessment Framework' (2014). The Council is committed by the 2008 Deed of Grant with the Crown to remain in social housing at approximately the same levels until June 2038 and ring-fence all income from its social housing activity for reinvestment back into the asset. All proceeds from the sale of social housing assets must be reinvested in the social housing portfolio.

The City Housing Portfolio Assessment Framework allows Council to objectively assess and compare properties in the Council's present and potential future portfolio, in order to meet Council's strategic objectives. The Framework is based on a number of asset related principles:

- Location – Housing should be well located i.e. close to public transportation routes and essential services
- Design – Housing should be maintained and renewed to contemporary, functional design standards in terms of access, aspect, security, use of space, health and safety, energy efficiency and use of materials
- Stock matched to demand – City Housing should be able to respond to demand from different sized and type of households
- Adaptability – Housing should be capable of responding to the needs of people with different cultural backgrounds, different physical abilities etc.
- Value retention – The Council's investment in housing should retain value over time.

The Community, Sport and Recreation Committee (or such other Committee that may have the form and function of the present Community, Sport and Recreation Committee) has been delegated the power to make decisions under the City Housing Portfolio Assessment Framework provided that:

- a. The divestment decision is less than \$2million; and
- b. The reinvestment of proceeds (from divestment) is in social housing
- c. The proposal is in accordance with the City Housing Portfolio Assessment Framework (2014), the Deed of Grant for Wellington City Council's Social Housing (2008) and the Council's Significance and Engagement Policy
- d. For any matter not meeting the requirements in a-c above, the Committee will have the power of recommendation only and the final decision will be made by Council.

*See Volume 2: Significance and Engagement Policy: List of Strategic Assets

Placeholder: Tribute to Brian Hannah

Draft subject to change

Part D

Financial Information

Draft subject to change

Financial Strategy

A CHANGING FINANCIAL LANDSCAPE

In 2012 the Council's financial strategy was underpinned by fiscal restraint, recognising that the organisation's big financial challenges, including earthquake strengthening, leaky buildings and rising insurance costs. Confidence in the economy was low and ratepayer expectations were for rates increases in line with inflation. The strategy conformed to current practice and complemented existing financial policies. It set an annual rates increase target for 2012/13 equal to the Local Government Cost Index, lowering to CPI (around 2.5%) in subsequent years and planned for debt ratios significantly lower than all other metropolitan cities in New Zealand. But growth forecasts were low. The strategy was not sustainable and risked service cuts and minimal new offerings unless rates increased above forecasts in the strategy.

We have since reviewed how we deliver our services and consolidated our Council Controlled Organisations, implemented shared services in Water and IT and procurement programmes. These and similar initiatives are expected to deliver savings in excess of \$50m for Wellington ratepayers over the next 10 years – though this is not enough to fund the increasing expectations that we, our residents and businesses have for the city.

Rates increases equal to or less than CPI (household inflation) are not sustainable in the long-term without cutting services. This would not be enough to fund what we provide now and meet ratepayer expectations for improved services.

Rather than risk cuts to services and a stagnating city, our new Financial Strategy provides a platform for the Council to invest and support economic growth, which in turn will create jobs, grow our ratepayer base and increase prosperity. We will achieve this by prioritising proposals for funding and expenditure that:

- Rebalance our spend and investment between key strategy areas
- Identify areas where service levels and performance are already high and increasing the use of existing assets, rather than spending on new investments
- Invest in projects that grow the economy and deliver returns on our investment
- Encourage urban growth in areas where we have existing infrastructure and public transport and in a way that improves environmental performance
- Improve our asset management to better manage risk while also maintaining high levels of service delivery
- Achieve ongoing efficiencies within the organisation, with a focus on shared services and improved customer experiences.

WORKING FROM A POSITION OF FINANCIAL STRENGTH

Wellington City is in a strong financial position. Our debt to income ratio is currently less than 100%. This compares favourably with other metropolitan Councils whose equivalent ratios range from over 175% to around 275%. The Council also holds investments in Wellington Airport and a substantial ground lease portfolio that are valued at more than our \$384m borrowings. So the Council could theoretically sell these assets and have no debt at all.

In its 2014 review of the Council's credit rating, the independent credit rating agency Standard & Poors judged Wellington City's stand-alone credit profile to be the highest of Local Government in New Zealand, and even higher than the government, but have capped it at the government level. Their assessment that the Council has 'very strong financial management and budgetary flexibility, strong budgetary performance and liquidity and low contingent liabilities' supports our view that our credit strength and institutional framework will allow higher debt burdens as we progress our strategy to invest in projects to grow the capital's economy.

Council uses debt to spread the cost of buying assets and services across those who will benefit from use of the asset over its life. This means we also need to consider the impact of servicing debt on the affordability of rates. In formulating our financial strategy we have ensured that the cost of servicing and repaying borrowing for each asset is catered for with proposed rating limits.

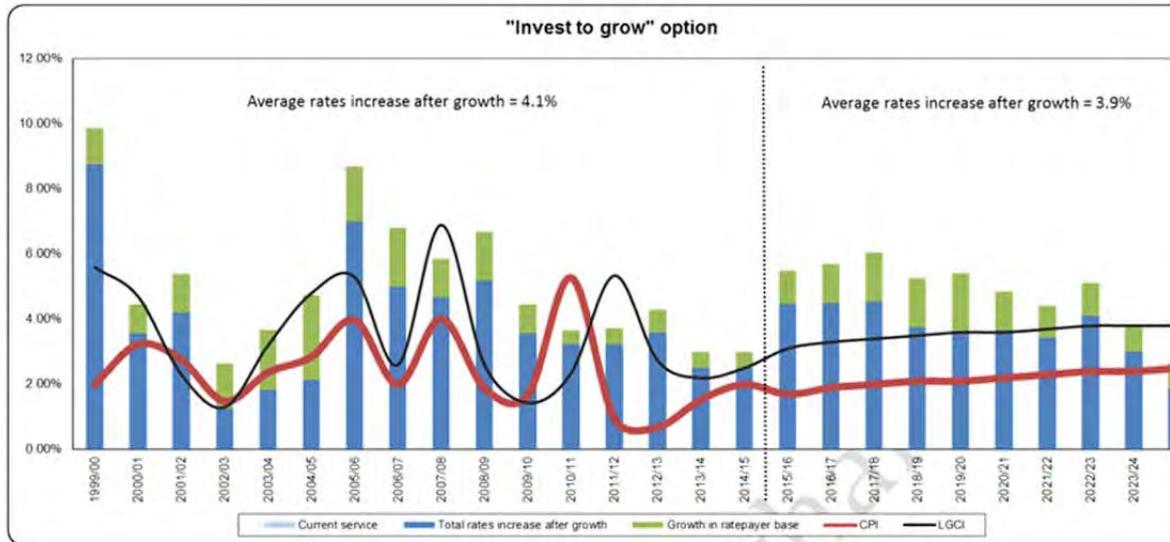
RATES FORECASTS AND LIMITS

Our 'invest to grow' strategy provides to limit average rate increases at 4.5% over the first three years of the LTP and an average of 3.9% across the 10 years of the plan⁶.



The 3.9% average annual rates increase limit proposed within this strategy compares favourably with the average increase of 4.1% over the last 15 years.

⁶ These rates increase limits are after accounting for growth in the ratepayer base and are indexed off the 2014/15 total rates excluding Business Improvement District Rating. They are subject to any inflationary increases in the rate of inflation of the Local Government Cost Index (LGCI) in the 'forecasts of price level change adjustors-2014 update' forecast by Bureau of Economic Research Limited (BERL) in September 2014.



DEBT FORECASTS AND LIMITS

We are forecasting debt across the period of this LTP to peak at approximately 140% of operating income. The limit to the amount of debt the council will take on over the period of this strategy is 175% of operating income. This limit provides some contingency for Council to respond immediately to an unplanned emergency or natural disaster. The cost of servicing the forecast debt, and the assets we build or buy, is built into our forecast rates increases.

If we keep going
as we are...

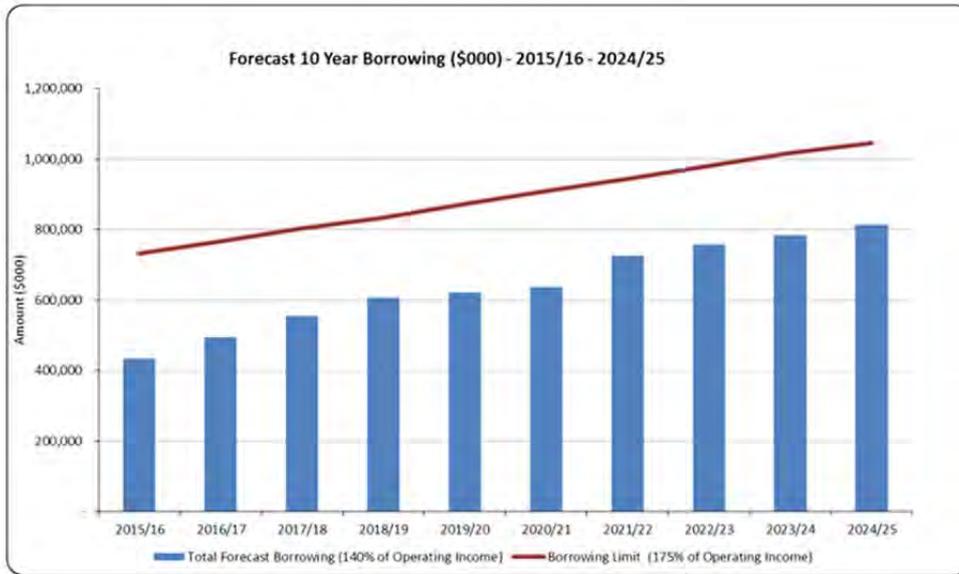
If we invest for
growth

**130% forecast
150% limit**

Council debt will be capped at a maximum of 150% of annual income – the same as a household earning \$50,000 a year having a mortgage of \$75,000.

**140% forecast
175% limit**

Council debt will be capped at a maximum of 175% of annual income – the same as a household earning \$50,000 a year having a mortgage of \$87,500.



CHALLENGES AND OPPORTUNITIES

In the pages that follow we explain how we propose to manage the financial challenges, opportunities and risks the city faces to enable the Council to deliver on this strategy in a financially prudent manner.

Population, land use, and rating base growth

Since 2010 Wellington City has had slow population growth of 0.7% per year (0.2% below the national average). The 2015 population is estimated at around 203,000 people. It is expected to increase by about 12,000 to around 215,000 by 2024, a modest 0.6% average growth rate per year. Limited changes to land use are forecast, however the northern growth management plan provides for the conversion of open space to residential development. The capital cost to provide for these changes over the ten years are forecast at around \$75m and the associated operating costs \$9m.

In the past five years, the ratepayer base has grown at an average rate of just 0.4%. History shows that Council investments can be a catalyst for economic growth. This was evident in the last significant growth spurt, when our rating base growth peaked at around 2.2% per annum in the early 2000s on the back of game-changing projects like Te Papa, Westpac Stadium and development of the waterfront.

This financial strategy aims to create the capacity to invest in initiatives that act as a catalyst for growth in the economy and the city's rating base. Our LTP includes a number of key investment projects that we expect will accelerate growth in our ratepayer base, which we conservatively expect to peak at around 1.8%, an average of 1.2% over 10 years. The larger rating base is expected to generate a \$37m boost for existing ratepayers by 2024/25, a cumulative benefit of over \$205m across the 10 years – and this benefit will continue to accumulate in subsequent years.

The financial benefit, or return, that the Council receives from prudent investments can be re-invested in the city. We call this the 'virtuous circle'.



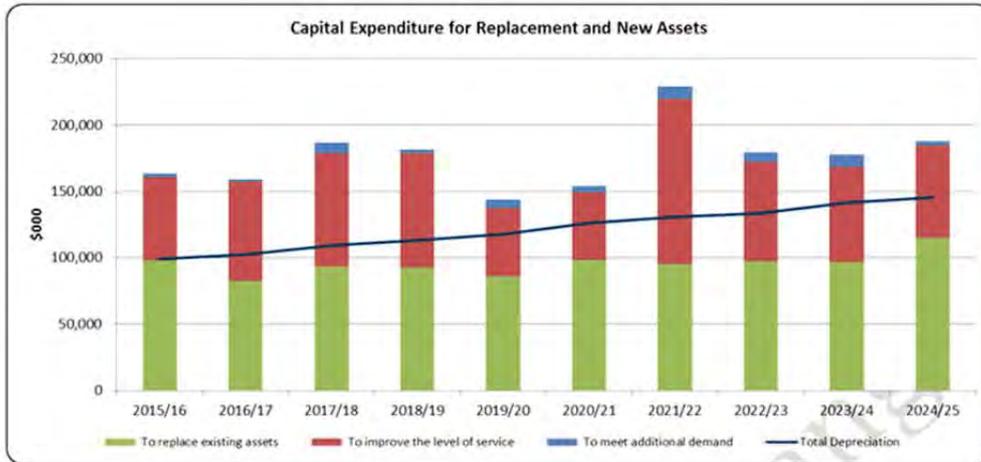
A strategic approach to asset investment

This plan is different in direction and approach to the past. The emphasis is strategic and long-term with a focus on short-term delivery.

The first three years of the plan is detailed and reflects a work programme that is realistically deliverable in the timeframe. A rolling three year forecast provides flexibility for the Council to respond to unanticipated changes and to consider new opportunities.

We've done a lot of work to better understand the quality of our assets. They are generally in good condition and we have a robust asset renewal programme in place. Continuing to improve the quality of asset information, particularly for our network infrastructure, means we can get more value from our assets without exposing the Council or the community to undue risk. We have used updated information to better plan and make decisions about assets that need renewing over the 10 years of the LTP. Our Infrastructure Strategy expands this timeframe out to 30 years and gives us confidence that we have the financial capacity to maintain our existing infrastructure in the longer term.

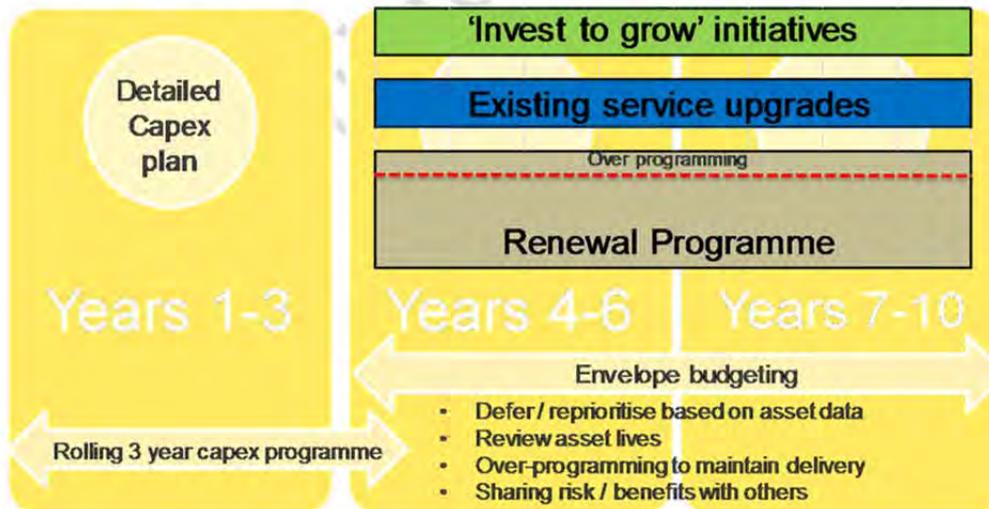
The expected capital costs for network infrastructure required to maintain existing levels of service and meet additional demands is as follows:



Significant projects to upgrade or improve services include increasing the cycling network, building a new library in Johnsonville and improving the resilience of the city’s water supply. We also plan to continue to improve earthquake resilience, including the town hall, central library and civic offices.

There is less certainty, however, around the details, costing and timing for a range of potential new economic growth initiatives. While these initiatives will all be subject to robust business cases and public consultation, it’s also important that we demonstrate the Council’s capacity to invest in projects such as an international film museum, indoor music arena, extending the airport runway and urban development initiatives.

We have used an envelope budgeting approach to reflect the capacity that Council has within its financial strategy to fund ‘invest to grow’ economic initiatives in years 4 to 10 of the LTP.



Managing investment expectations

Annual surveys and benchmarking data show that service levels for social, recreational and community infrastructure are high in Wellington. However, over the last ten years there has been an expectation in the community that the Council will continue to increase service levels in these areas.

It is also recognised that during this period investment to support the broader Wellington economy and the city's rating base has been low.

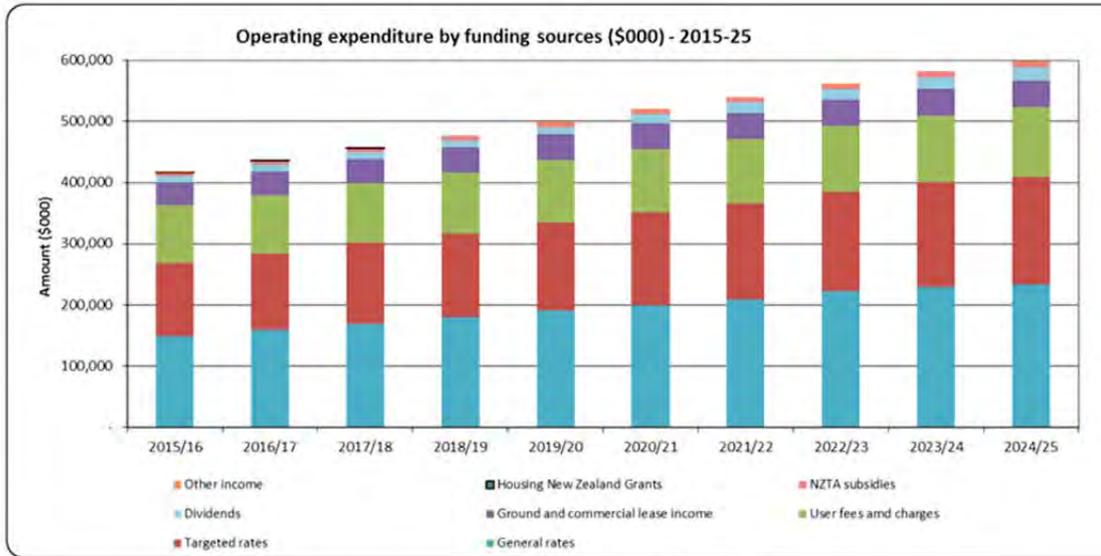
This financial strategy recognises the importance of investment in the economy to grow the city and increase the rating base to provide the financial capacity to continue to invest in our infrastructure. In turn, this provides the resources for Council to deliver on recreation, social and cultural services, amenities and events. The risks of not doing so are summarised in the diagram below.



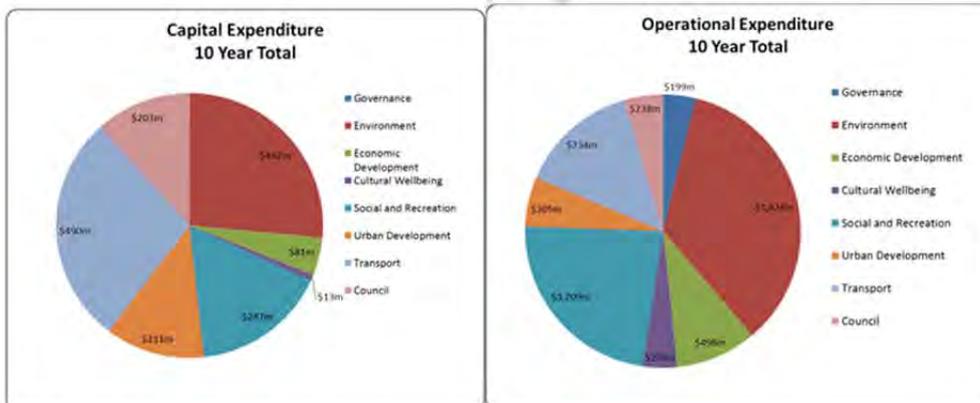
Continuing to do the basics well

There is a risk that in investing to improve the economic resilience of the city that we compromise on delivering core services. We will manage this risk by providing capacity within our rates and debt limits to ensure that we can continue to provide the services we do now. We will increase the emphasis on improving utilisation of the assets and services we currently provide. To ensure we maintain high levels of service delivery we will continuously drive operational efficiencies within the organisation. We will also focus on shared services and improved customer service - for example combining of CCOs to create the Wellington Regional Economic Development Agency, shared IT infrastructure and a range of procurement and contract related initiatives.

Our plan is to continue to deliver the full range of services we currently offer.



The graphs below show that in our proposed LTP financial strategy we will continue to fund and invest in the full range of services we currently provide.



Maintaining an affordable and prudent balance between service, rates and debt

Our financial strategy sets a framework for investment decision making by:

- Setting maximum limits for rates and debt supported by funding policies that will ensure rates remain affordable.
- Linking to a clear set of funding principals as contained in the Council’s Revenue & Financing Policy

- Using quality asset data to drive its infrastructure asset renewal and upgrade
- Requiring the Council to be specific about the costs, delivery timeline and impact on service levels of its investment decisions in the first 3 years of its plan.
- Being transparent about the assumptions used in longer-term (years 4 to 10) initiatives for which full business cases are yet to completed, and providing flexibility for investment intentions to be modified, depending on these cases and other external factors.

There is a risk that in attempting to maintain or increase service levels the council could compromise its funding principles that underpin its robust and prudent financial management. This risk is mitigated by continuing to make provision in our Financial Strategy to:

- Maintain a balanced budget. Council will raise sufficient income each year to fund the costs of providing services consumed by the city that year. No profit is budgeted or rated for. Note that our financial statements will show a surplus because revenue received for capital expenditure is required to be shown as income.
- Continue to fully fund depreciation on assets that the Council will be responsible for renewing when they reach the end of their useful life. This is needed so we can pay for their replacement in the future.
- Debt fund to maintain intergenerational equity. Debt is used to initially fund assets. This debt is repaid over the life of the asset through depreciation funding. This ensures that ratepayers only pay the cost of a service when they benefit from a service
- Enable asset management planning to inform and complement financial planning. This considers the condition and deterioration of assets to estimate their useful life and the costs of their replacement and repair. It balances risk and the timing of replacement, as well as assessing the capacity required for growth
- Manage investments and equity securities. The primary objective of holding and managing investments and equity securities is to optimise the return on the overall investment portfolio. Investments are also held for the purpose of achieving Council's strategic objectives and to provide diversity to the Council's revenue sources. For non-strategic investments, the target return for investment is to achieve an average return over time greater than Council's long term cost of funds, currently forecast at 6.3% per year. The Council's investment policy sets out the mix of investments, strategies and other policy considerations in greater detail.
- Operate a policy on securities. To be able to borrow money we need to offer security to the lenders. Security is a guarantee which can be redeemed in case of default, like a house as mortgage security. Our borrowings are secured by creating a charge over our rates revenue. This security relates to any borrowing and to the performance of any associated obligations to borrowing. As a shareholder and borrower from the New Zealand Local Government Funding Agency we also use rates revenue as security over all borrowing from the agency.
- Implement our Insurance strategy which balances externally procured insurance, internal 'self-insurance', risk retention and transfer. Our insurance policy aims to achieve an adequate level of insurance with a balance of insurers from NZ and international markets. Our insurance is mainly for material damage and business interruption. Material damage covers catastrophe losses only, with an internal \$10m insurance reserve fund (being increased over time) to cover excesses and day to day working losses. The insurance coverage includes natural disasters to a limit of liability of \$400m material damage (buildings, infrastructural assets and contents) and Business Interruption combined over an asset portfolio of \$4.658bn (2014/15). Our earthquake cover and other natural disasters are informed by Geological and Nuclear Sciences (GNS) on potential losses caused by these events

This strategy also allows for Council to maintain a reasonable balance between services rates and debt. Increases in service levels will be generally restricted to those services that are expected to provide an increase in the rating base, reducing the impact on current ratepayers. Where debt funding is required to spread the cost of an investment across a number of years, we will focus on those investments that provide a return to reduce the impost on ratepayers.

Strategic partnering

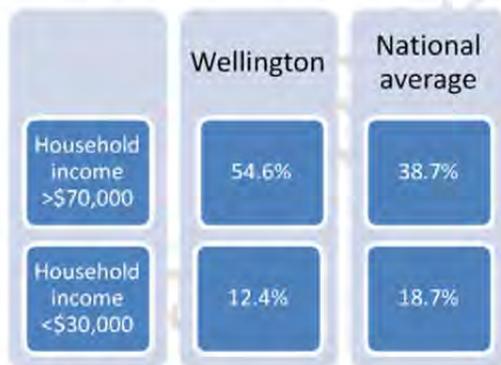
We will develop a more focused and strategic approach to partnering with central government and the private sector. To reflect this we have assumed that in addition to the \$1.7 billion of asset investment proposed in the 2015-2025 LTP, some investments to which we contribute will be undertaken by other organisations. To reflect this we have assumed that as part of our economic growth funding envelope we will provide sufficient grant funding to service \$90 million of investment by an external party, but transfer the capital risk and not hold the associated debt on the Council's balance sheet.

We will also continue to investigate the philosophy of 'earn-back' with central government. When ratepayer funded council investment results in improved economic performance of the city and a higher tax take, we believe the Council should receive a portion of the financial benefit accrued by the government.

Rates affordability

In developing our financial strategy we have been very conscious that our rates are affordable. Our strategy is underpinned by an assumption that affordability will be maintained.

Wellington residents have significantly higher incomes than the national average.



We know there are small pockets of deprivation in Wellington City. We will continue to manage this factor by providing rates remission and rates postponement policies. The central government-funded rates rebate scheme can also be used in hardship cases that result in difficulty paying rates.

Residents fund approximately 55% of total rates. As Wellington residents have significantly higher average incomes than the national average, our average rates equates to approximately 2.7% of average Wellington household income. Throughout the period of this LTP we intend to keep this below 3.5%, significantly lower than the 5% affordability threshold identified in the 2007 Local Government Rates Enquiry.

Commercial ratepayers fund 45% of total rates. Generally rates are a relatively small proportion of total business income, varying between 0.1% and 0.4%, depending on the sector.

Factors such as increased insurance and earthquake resilience costs are placing additional pressure, particularly on the not-for-profit sector and heritage property owners. While many not-for-profit organisations already receive lower rates under legislation, the Council is cognisant of the pressures earthquake prone status may cause and has initiated a rates remission policy to help.

Earthquake and weather-tightness risk

The Council's 2012 Financial Strategy highlighted earthquakes, weather-tightness and increasing insurance costs as key risks which warranted a conservative fiscal approach. Council's financial exposure to these risks is now better understood – all are catered for within this strategy and specifically budgeted for within the 2015-2025 LTP. We have made provision to earthquake strengthen the Town Hall, the central library and administration building. We will fully repay the borrowing taken out to cover the Council's contribution to leaky building costs over the period of this LTP and will utilise recent reductions in insurance premiums to replenish our self-insurance reserves and increase our level of cover.

Delivering on the strategy

This financial strategy supports and enables an ambitious plan to invest in the city. We have been conservative in our growth assumptions, but there is still a level of risk that the investment projects we propose will not deliver the economic and rating base increases we are forecasting. We will manage this risk by conducting detailed business cases for each investment to assess their cost effectiveness and economic contribution. We will also consult before deciding to proceed. We will also measure and report on our performance against this strategy annually and review the strategy every three years.

Our view is that there is significantly greater risk in not investing to support the city's economy, making it more difficult for us to compete nationally and internationally, a loss of businesses, jobs, cuts in services and higher long-term rates for the ratepayers that are left behind.

'Current service' strategy	'Invest to grow' strategy
No / or very limited new offering Renewing assets based on a depreciation profile rather than asset quality	New offerings to reinvigorate the city and its economy Greater ability to reprioritise capex renewals and upgrades based on improved asset information
Limited ability to respond to opportunities	Enhanced ability to respond to opportunities
Limited ability to respond to growth, economy and ratepayer expectations	'Envelope' budgeting to provide for economic investment in years 4-10 (\$180m over 10 years)
Minor reprioritisation of capex renewals (only) based on improved asset information	Flexibility to adjust 'envelope' in response to growth, economy and ratepayer expectations
No opportunity to grow business and community confidence through investment in the city	Opportunity to significantly grow business and community confidence
Growth in rating base will be low – fluctuating in response to economy – limited ability to influence Potential cuts to services	Elevated growth in rating base support long-term sustainability and vibrancy of the city (\$200m cumulative direct ratepayer benefit over 10 years plus city-wide benefit)

Slightly lower rates increases in the short-term (4.1% over 3 years, 3.1% over 10 years)	Slightly higher rates increases in the short/medium term (4.5% over the first 3 years of the plan, average of 3.9% over the full 10 years)
Lower investment = lower borrowing levels, but no improvement to ratepayer equity in the city	More investment = higher borrowing levels, but maintain ratepayer equity in the city
Risk of stagnation	Opportunity for the city to grow and flourish

Draft subject to change

Infrastructure Strategy

Part 1: Strategy overview

Strategy introduction

This strategy explains how we will deliver infrastructure services to meet the needs of current and future generations.

It aims to achieve a balanced investment programme, which keeps existing infrastructure in good condition as well as allowing for investment in new infrastructure to meet expected growth. The strategy covers a period of 30 years. It includes an overview of major matters and trends that will have an impact on our infrastructure over this period, how we propose to respond to these, and the risks and costs associated with our investment in infrastructure over that time. All with the primary imperative of providing public value.

Strategy context

This infrastructure strategy has been developed in the following context.

Wellington has experienced modest growth over recent years (typically 1 percent per annum). The Long-term Plan aims to invest in projects that will accelerate the city's economic growth. The Urban Growth Plan 2014–2043 expects the population to increase from the current 200,000 to 250,000 within the 30-year period, with the majority of this happening along a defined growth spine. While there will be some changes in the demographics of the city, ageing of the population will be considerably less than in other parts of the country.

With this in mind, and as our city relies heavily on infrastructure and the services delivered through these assets, the focus of this strategy will be to maximise the benefits and value of investments already made in the past and into the future.

Collectively, the city has \$6.5 billion invested in physical assets – everything from water, roads and footpaths (network assets) through to libraries and community halls (social assets). We spend around \$94 million per year to maintain and renew these assets. Over the first third of this 30-year infrastructure strategy (30IS), we will be investing in additional infrastructure to meet modest demand from growth and fill gaps in our service offering, particularly where these investments support the Council's economic development goals.

This strategy provides a clear "line of sight" from our vision for the city through to the 2015 Long-term Plan (LTP) and the two foundation strategies – infrastructure and financial – that drive that plan.

The strategy will have the following imperatives:

- Continued development of evidenced-based decision-making tools for any infrastructure investment proposal.
- A continued programme to improve knowledge of assets' condition, utilisation and performance.
- A focus on renewals to maintain existing levels of service, within an agreed risk environment – including a focus on increasing the resilience in all networks.
- Integration of planning tools to direct new growth where possible to areas with existing surplus capacity.
- Incentives to support increasing the use of existing community facilities.

Integration of upgrade works with renewals to reduce cost and disruption.

Figure 1



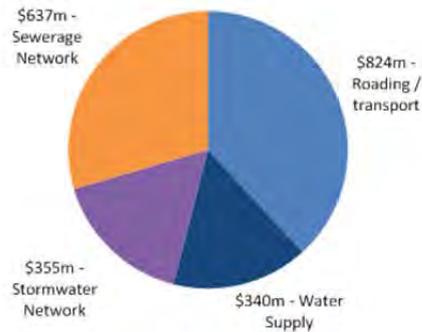
Strategy scope

This strategy recognises two groups of assets – network infrastructure and social infrastructure. This strategy focusses on these infrastructure assets. The Council also owns additional assets and delivers services that are not reliant on assets; these are not covered in this strategy. Our network and social infrastructure are made up of the below services:

Figure 2

Network infrastructure	Social Infrastructure
Roads / Transport	Libraries
Three Waters;	Community services
Water Supply	Community Health services
Wastewater	Parks and Open Spaces
Stormwater inc, Flood Protection	Corporate property
	City Housing
	Recreation services

Network infrastructure net book value as at 30 June 2014



NB: Detailed information of the make-up of individual asset groups is available in relevant service plans covering the above network and social infrastructure services (see the brief appendix at the end of this document for direction to these documents).

Major issues influencing our strategy

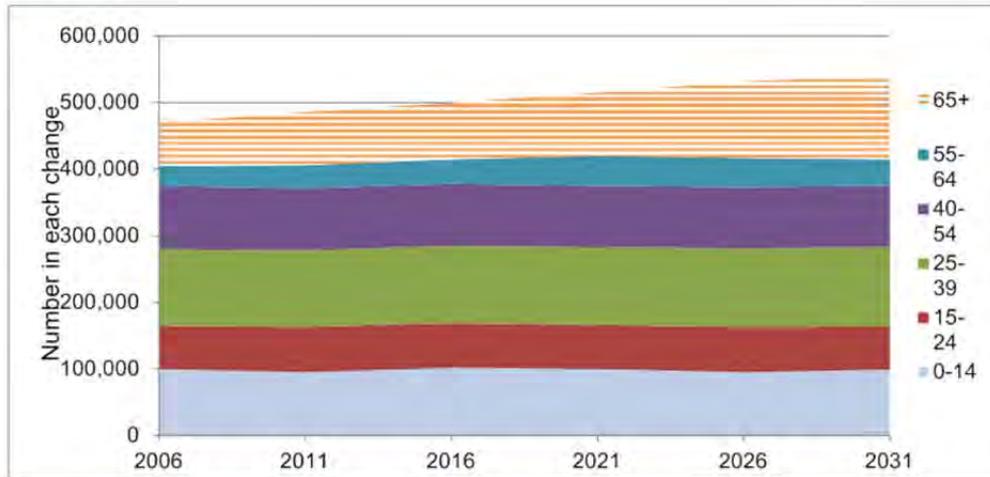
Population growth and demographics

We expect that the city will experience modest population growth over the next 30 years, similar to current and historic trends for the city (see figure 3 below). Beyond this period, population in New Zealand is expected to stabilise; Wellington (both the region and the city) is not expected to be materially different. Planning implications are being considered as part of the longer-term view of our long-life assets as part of any deliberations for investment.

The Council is considering investing in the city to promote economic growth. While we do not expect that growth in itself will place unpredictable demand on infrastructure services in the future, any significant population growth, will increase demand on services and infrastructure. We will regularly update service levels through annual plans in response to population growth beyond those currently forecast.

Changing demographic profile of the city over time:

Figure 3



Resilience and sustainability

The Council has a responsibility to manage its assets and services in a way that provides resilience and protection for the city. Wellington is particularly exposed to the risk of natural disasters. The main concern is earthquakes but we are also at risk of severe weather events (such as big storms), as well as the longer-term effects of climate change (for example, sea-level rises).

A number of programmes looking at quantifying and measuring the impact of climate change on our infrastructure are under way, the additional data and information from these studies will inform future versions of the infrastructure strategy.

These initiatives support an ongoing programme of capital renewals that provide for improved resilience in our networks with a careful selection of material types and engineering design techniques. Critical assets have been treated with priority. This programme has been operating for more than a decade and will continue through the 2015 LTP, the 2015/45 30IS and beyond.

Community demand and affordability

Community expectations of Council services are continually increasing, while tolerance for cost increases, disruptions, and service failure is decreasing.

The Council will have an ongoing dialogue with the community through the annual and long-term plans about the levels of service it provides. This is to make sure it meets expectations, and any changes to service levels will take into account factors such as cost, the distribution of benefits and who pays.

Alongside current growth and demand considerations, asset capacity and utilisation (discussed below) are being carefully analysed against future demand. One of the key programmes of work is to understand where prior investments in infrastructure are underutilised in the current environment. District Plan planning rules and other key constructs (such as urban design) are being considered carefully as part of this analysis. Affordability, current and future, is another.

Regulatory requirements

Changing statutory requirements and national standards set by central government (for example, health and safety) can impact on how and to what level we deliver services. We will work with the government on changes to national standards that impact our infrastructure services and implement them in accordance with legislative requirements.

Overall approach

We will take a principled approach to how we manage our infrastructure portfolio. The following principles will guide our decision-making. In the last three years, and as a result of a number of decisions the Council resolved in the 2012 LTP, the Council has developed and implemented a vigorous data collection programme across all its infrastructure assets. The result is a specialised strategic asset management framework that uses analytics and evidenced-based decision-making tools to inform short, medium and long-term infrastructure investment decisions on behalf of the community. Experts from new disciplines (such as statisticians, mathematicians and actuaries) have been included alongside the more traditional engineering and financial disciplines to build robust forecasting models to inform the 2015 Long-term Plan and the 2015/45 30IS in the “big data” environments this entails. One of the key considerations has been a refocus on the “whole of life” costs and benefits of an asset and the services these provide.

Critical to these considerations has been the reconciliation of the depreciation expense (funding) against the forecast renewals (expense) across the whole of life of the Council’s assets (although a 30-year timeframe is published in this strategy, the analytics are span 100 years). The financial principles that support this approach are clearly described in the Financial Strategy. The following are key general considerations that have supported this new approach and informed this strategy.

Fit for purpose

We will provide quality infrastructure that can deliver services in a manner that meets community expectations now and into the future; we will maintain and renew infrastructure and facilities in accordance with best practice.

Asset utilisation

We will improve our understanding of the capacity and utilisation of our assets. Where asset networks are under-utilised, we will develop strategies to increase utilisation to ensure maximum benefit is derived from our investment.

Strategic long-term view

We will continually scrutinise our asset performance with an eye on service outcomes and investment value, with a distinct focus on whole-of-life costs and long-term affordability. We will consider the long-term implications of investment in infrastructure and make sure the level of contribution from each generation is set at a fair and reasonable level.

Improved knowledge and data

We will continually increase the level of understanding of our assets to ensure maintenance and renewal programmes are optimally set. Quality information and data will enable us to accurately link the relationships between costs, benefits, and risks.

Coordinated

We will ensure infrastructure decisions are coordinated across the Council, its subsidiaries, other agencies and local councils in the region.

Resilient

We will work to ensure our infrastructure can deal with significant disruption as a result of natural hazards. We have a good understanding of the seismic risk to Council assets from earthquakes. We will continue to utilise technological advances to increase the resilience of assets we renew, and ensure the risk of financial loss resulting from earthquake events is prudently managed and reduced over time. We will increase our understanding of the impact of climate change on our infrastructure networks to improve management of our assets and guide future infrastructure investment.

Managed risk

We will comply with all legislation and national standards that apply to infrastructure and service provision.

Our assumptions

Underlying this strategy is a number of key assumptions. These assumptions have a specific and important influence on the picture this strategy builds for Wellington City and how the Council addresses any challenges and opportunities it highlights. These assumptions similarly inform the Financial Strategy. This strategy is based on the following assumptions.

Investment

Investment in civic infrastructure will be set at a level that retains existing levels of service and can meet demand from growth. The funding models that support the longer-term view of our infrastructure replacement and upgrade profiles demonstrate this is affordable over the next 30 years and beyond.

Population growth

The population increase through to 2043 is expected to be 246,693 (a movement of 46,273). Should economic growth be achieved above historic norms, population growth is likely to exceed this expected level. Population, if it follows current long-term projections for New Zealand generally, will likely remain static for the next 30 to 50 years.

Community demand

Community demand for improved social infrastructure services will generally only be made where there is a "gap" in our service offering, or where increasing service levels would retain our competitive advantage in that service in comparison to other cities.

National standards

Although the statutory environment for local government will evolve, the broad requirements for infrastructure will remain static.

Economic

The city's economic performance (in terms of performance as measured by GDP) will move from just below the national average to consistently above the average over the period of this strategy.

Forecasting assumptions

Over the past three years, there has been a substantial data collection programme across all core infrastructure assets (transport, water, wastewater, stormwater). This information has been used to determine asset value, asset life, and the forecast renewal programmes that are captured in the expenditure graphs, illustrated on the following pages. Our forecasting assumptions are based on deterministic modelling on available information on asset quantity, condition, life, and value to inform our depreciation and renewal programme.

This information tells us that our short-term asset renewal requirements are generally lower than we have budgeted for our renewals in the past.

We have maintained a prudent approach in continuing to fully fund depreciation where it is anticipated that the Council will be responsible for renewing the asset in the future. Also, we have mitigated the risk that there is a need for renewal expenditure over and above that determined by our model (for example to respond to urgent / emergency situations).

We have achieved this by additional capital funding capacity in years 2–10 of our LTP. This amount is equal to the difference between our renewal expenditure and depreciation over the first 3 years of our LTP.

Draft subject to change

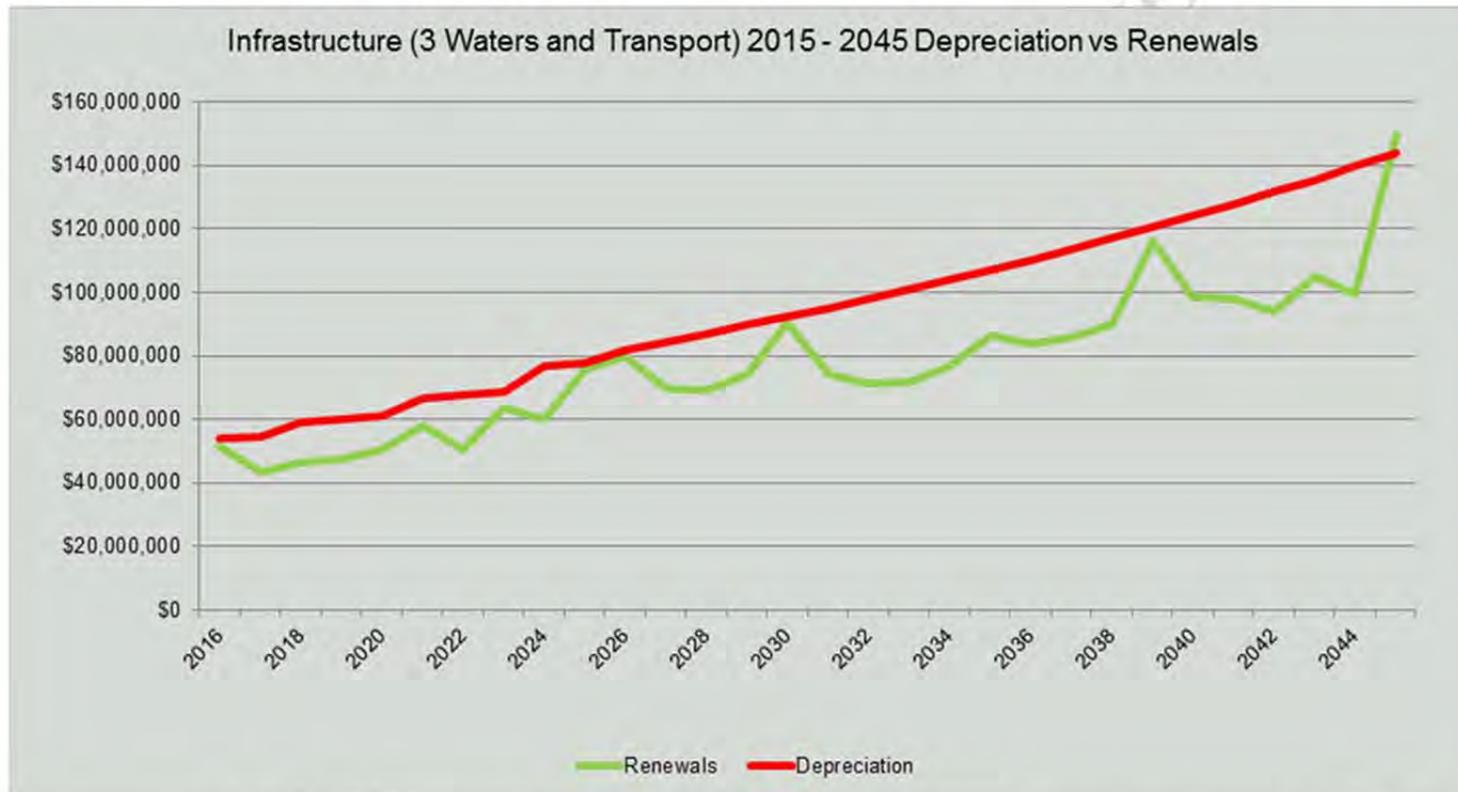
Part 2: Our infrastructure services

Network infrastructure (three waters and transport)

Infrastructure (Three Waters (Water Supply, Wastewater, Stormwater) and Transport) 2015 - 2045 Financials

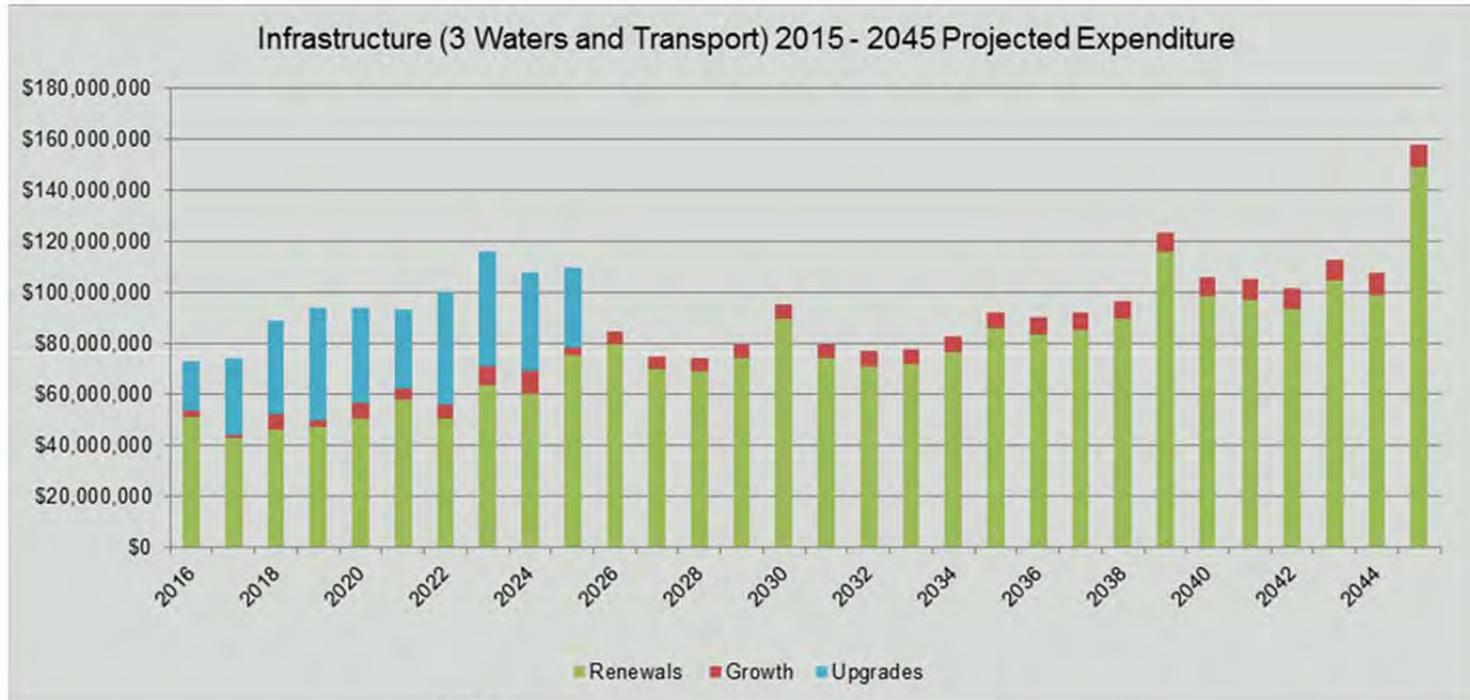
Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	87,773,914	91,624,491	97,189,358	846,786,896	1,123,374,659	757,459,441	878,103,092	1,017,962,149	1,180,097,128	4,956,996,468
Stewardship [depreciation]	54,231,816	54,620,863	59,176,480	478,739,448	646,768,607	435,481,675	504,842,615	585,250,955	678,466,260	2,850,810,112
Income	(6,689,118)	(7,451,623)	(7,819,127)	(57,264,416)	(79,224,285)	(49,454,826)	(57,331,698)	(66,463,151)	(77,049,008)	(329,522,968)
Total Operating Projects	135,316,611	138,793,732	148,546,710	1,268,261,927	1,690,918,981	1,143,486,289	1,325,614,009	1,536,749,953	1,781,514,380	7,478,283,612
Capital Project Renewals	51,338,878	43,261,266	46,182,449	405,694,114	546,476,707	383,089,154	379,907,871	473,787,414	545,324,707	2,328,585,853
Capital Project Upgrades	18,977,948	30,102,199	36,809,524	272,691,097	358,580,768	-	-	-	-	358,580,768
Capital Projects Growth	2,521,880	926,060	6,383,039	38,819,428	48,650,407	26,604,037	30,841,370	35,753,601	41,448,222	183,297,637
Total Capital Projects	72,838,705	74,289,525	89,375,012	717,204,639	953,707,882	409,693,191	410,749,241	509,541,015	586,772,929	2,870,464,258
	-	-	-	-	-	-	-	-	-	-
Grand Total	208,155,316	213,083,257	237,921,722	1,985,466,567	2,644,626,863	1,553,179,480	1,736,363,250	2,046,290,968	2,368,287,309	10,348,747,870

The above table shows the projected operational and capital expenditure for 30 years for three waters and transport activity. This is followed by the projected expenditure in each subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above graph shows the projected capital renewal expenditure and depreciation funding for 30 years of three waters and transport activity. The movement in renewals reflects the age and condition of the asset and its replacement cycle.

Item 3.1 Attachment 1



The above shows the projected capital renewal, growth and upgrade expenditure for the next 30 years. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Transport

Summary

Our transport service is focussed on delivering safe, effective, and efficient movement of people and goods. This includes carriageways for private travel, public transport, and cycling and walking. As with all our core infrastructure services, we have a large inventory of physical assets and therefore a large funding requirement for operation, renewal, and development. The city has a sophisticated and complex transport network with a corresponding maturity in its operational and capital management programmes for delivering this network and service.

Transport infrastructure profile and level of service

Our transport infrastructure is in good condition, our levels of service are currently meeting the needs of the city, and these service levels are sustainable and affordable. Asset condition is assessed annually and whole-of-life investment decisions are made with regard to the information provided by these surveys. Our current operations and renewal programmes are adequate to sustain this level of service over the short and medium-term (a 10–30 year horizon). Details of levels of service can be found within the Transport Service Plan (refer appendix for details). The current levels of service are not expected to materially change. There will, however, be a focus from time to time on the types of initiatives outlined in that plan to meet shifting priorities and demands in the future as circumstances dictate.

Growth and demand

Growth and demand in the transport service is very closely aligned with population and economic growth, which are expected to moderately increase in the future. Demand is affected by behavioural changes (such as parents using cars to deliver their children to schools, or people choosing to use public transport versus drive a car, walk or cycle). Consequently, there are a number of capacity and utilisation projects under way to improve our understanding of the behaviour and use of the transportation network by its commuters. This includes projects that provide real-time traffic data and transport data by “mode”. This is a key capability. It also forms the substantive backbone for the “sensing city” initiative that has been adopted by the Council. Growth in capital expenditure requirements are primarily in the areas of resilience, network infrastructure improvements identified in existing local and regional transport plans, and network improvements needed to unlock economic growth. This growth is catered for in the current capital development programmes of the service.

Major issues and risks

Issue/risk	Options to address issue/risk
Increasing congestion around the city, especially at peak times along major routes.	Close integration of the Council's network with planned investment by NZTA, particularly the Ngauranga to Airport corridor. Encourage change in mode choice.
Increased public expectations for multi-modal transport options.	No new investment in PT and active modes. One-off investment in PT and active modes. Continuous investment in PT and active modes.
Competing demands for road space by different modes on very constrained road corridors.	Prioritisation of some routes for specific transport modes. Acquisition of wider road corridor on key routes.
Sea level rise impact on coastal roads.	Improve understanding of risk and timing.
Network resilience to earthquake risk.	Continuous network resilience improvements, prioritised on strategic routes.

Most likely scenario for service

Increased service levels are proposed in the continuous investment of improved provision of multi-modal infrastructure, with the inclusion of \$74 million of capital investment over the next 10 years. The level of service in roading and streetscapes will be gradually increased with the expenditure of \$112 million in urban development over the next 10 years. The operations and renewals programmes in place will adequately deliver this level of service sustainably over the medium and long-term.

Significant future decisions

Significant future decisions are subject to the Council's Policy on Significance. This is reviewed every 3 years with the LTP. Over the period of this strategy the Council will consider the following as part of this review.

- The development and maintenance of an increasingly resilient network.
- Maintaining sufficient flexibility in the network to be able to respond to changing transport mode choices.
- Integrating the Council's network with NZTA investments, particularly the Ngauranga to Airport, Transmission Gully and Petone to Grenada projects.

Financial commentary

The forecasts we have tell us that spending on the network over the next 100 years is relatively predictable and stable, and that forecasted actual costs are less than what is forecast in the current LTP. Most of the capital spending will be on roads, with a relatively high proportion of that spending going towards upgrades.

Infrastructure and financial profiles

With the level of detail the Council now has at its disposal to interrogate the performance of its infrastructure assets, we can now have a high degree of confidence around that performance. The charts below clearly demonstrate the expected future financial commitments expected in each asset group.

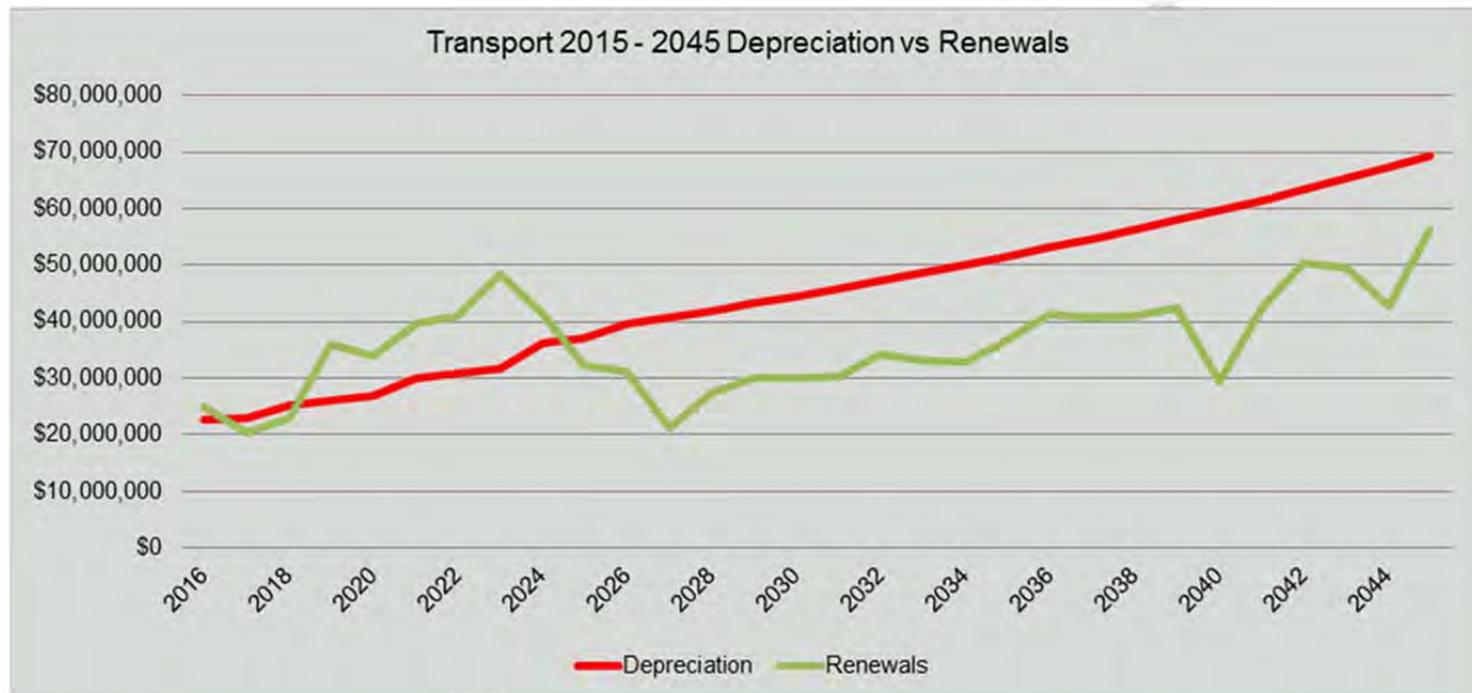
Scenario / service cost

Transport 2015 – 2045 Financial Plan

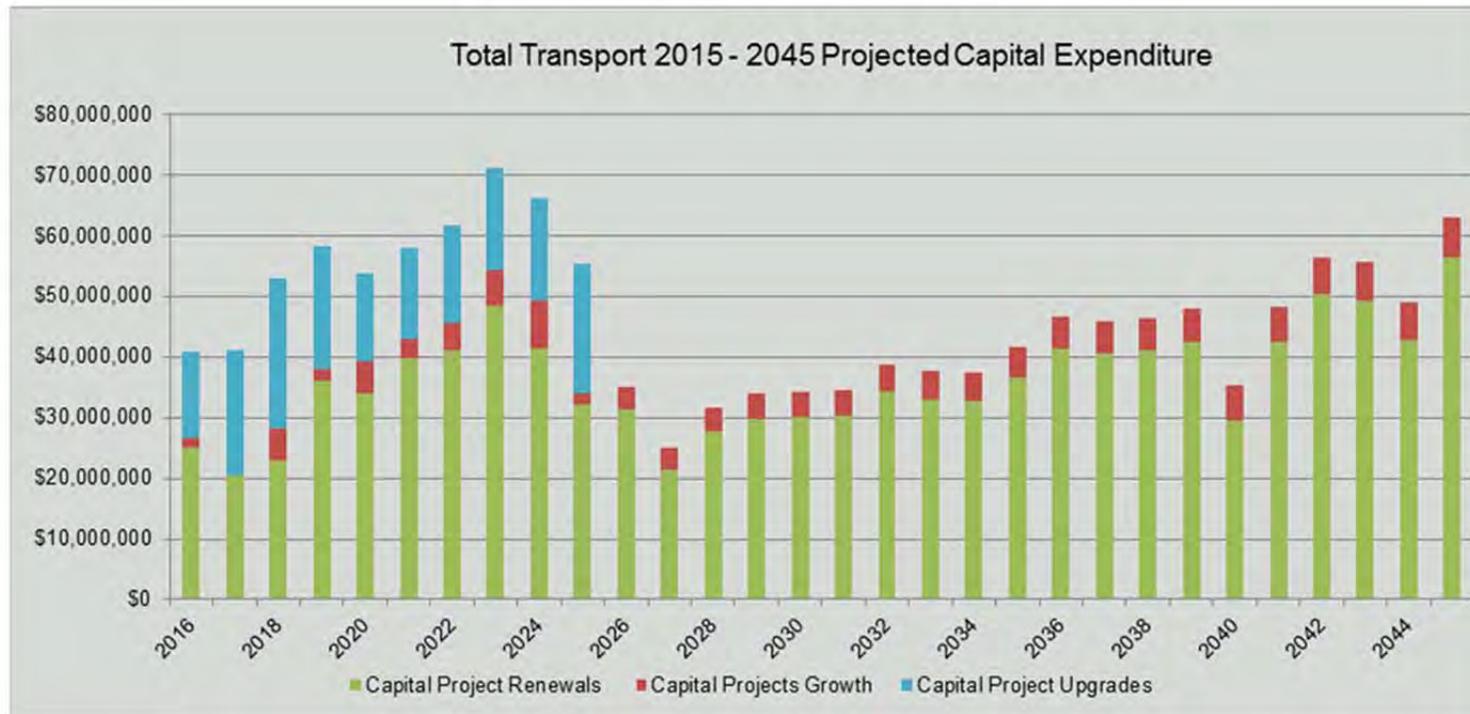
Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	24,514,761	25,361,382	27,064,028	220,243,950	297,184,121	192,095,565	222,691,409	258,160,377	299,278,632	1,269,410,103
Stewardship [depreciation]	22,667,346	23,045,480	25,309,635	218,742,335	289,764,796	209,656,194	243,048,990	281,760,393	326,637,519	1,350,867,892
Income	(6,030,018)	(6,780,000)	(7,134,322)	(52,024,569)	(71,968,908)	(45,064,873)	(52,242,539)	(60,563,421)	(70,209,604)	(300,049,346)
Total Operating Projects	41,152,090	41,626,862	45,239,341	386,961,716	514,980,009	356,686,886	413,497,860	479,357,348	555,706,546	2,320,228,650
Capital Project Renewals	24,936,946	20,448,842	22,858,398	272,843,726	341,087,912	139,813,817	166,852,197	195,177,025	241,221,632	1,084,152,583
Capital Project Upgrades	14,435,237	20,558,652	24,874,777	121,633,928	181,502,595					181,502,595
Capital Projects Growth	1,579,516	-	5,260,176	30,037,633	36,877,326	20,166,033	23,377,960	27,101,462	31,418,023	138,940,804
Total Capital Projects	40,951,699	41,007,495	52,993,351	424,515,288	559,467,833	159,979,850	190,230,156	222,278,487	272,639,654	1,404,595,981
Grand Total	82,103,789	82,634,357	98,232,692	811,477,003	1,074,447,842	516,666,737	603,728,016	701,635,836	828,346,201	3,724,824,631

The above table shows the projected operational and capital expenditure for the 30 years of transport activity. This is followed by the projected expenditure in subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Item 3.1 Attachment 1



The above graph shows the projected capital renewal expenditure and depreciation funding for 30 years of transport activity. The movement in renewals reflect the age and condition of the asset and its replacement cycle.



The above shows the projected capital renewal, growth and upgrade expenditure for 30 years for transport activity. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Stormwater

Summary

Our stormwater service provides protection from flooding and weather events, while minimising the adverse effects of stormwater discharges on the harbours, streams and other water bodies of the city. As with all our core infrastructure services, we have a large inventory of physical assets and therefore a large funding requirement for operation, renewal and development.

Stormwater infrastructure profile and level of service

While our stormwater infrastructure is in generally good condition, we know there are parts of the network where we are not meeting the current implied policy of providing flood protection to a 1 in 50 year severity event. Meeting this level of flood protection is not practical or financially sustainable. Our challenge over the next few years will be to model the stormwater catchments (hydraulic models), with the ability to examine them to a level of detail where we can make more informed capital investment and planning decisions in the future. In the meantime, we will be focussing on determining a city wide view of the at-risk areas where we will need to undertake stormwater improvements. For other parts of the city, we are addressing some known problem areas and we will continue to meet the level of service currently provided, generally protection to a 1 in 5 year severity event.

It is likely this work will also highlight the need for some rethinking of the current policy settings in stormwater – and in particular the levels of service the city might likely be able to provide into the future. Our approach will inform future discussions with our community. The stormwater service directly impacts coastal and freshwater quality around the city. While in general water quality standards are currently being met there are instances where this is not the case. A flagship blue-belt project focussing on water quality is one of a number of important initiatives proposed in the 2015–25 LTP.

Growth and demand

Incomplete data currently exists to accurately quantify future demand on the stormwater network. Effects of climate change are expected to lead to increased discharge into waterways and impacts on the network where capacity constraints already exist. Expenditure growth will focus on planning controls and targeted investments to address service shortfalls, areas with repeated flooding and improvements in data and the network.

Major issues and risks

Issue/risk	Options to address issue/risk
Data availability and confidence.	Comprehensive programme of data collection and data review.
There is a lack of clarity regarding the level of service (LoS) to be provided for flood protection – currently there is an implied LoS of protecting to a 1 in 50 year severity event but an actual service level provision is generally 1 in 5 year severity event.	Define the levels of service and protection the network is to provide.
Lack of understanding of the current level of flood protection provided and where.	Develop hydraulic models of the entire network.
There may be areas where due to the flood risk exposure that a LoS of protecting to a 1 in 50 year severity event is desirable. However, there are affordability issues associated with meeting this LoS.	Targeted improvements in network capacity. Use of planning controls and minimum floor levels.
We need to understand the risks from climate change impacts	Use new hydraulic models to improve understanding of risk

on the network and identify adaptation measures.	and timing.
We need to consider the effects on water quality from our stormwater discharges and the effects on the community.	Engagement with the whaitua committees through the process to set standards for water quality.

Most likely scenario for service

The most likely scenario, looking forward, will be:

- To maintain the level of service we are currently providing for flood protection (a 1 in 5 year severity event) – for 70 percent of the city.
- Targeting at-risk areas where flood protection needs to be provided to a 1 in 50 year severity event.
- To maintain the level of service we are currently providing for water quality – namely compliance with resource consents and maintaining appropriate standards of water quality and waterway health across Wellington City’s coastal and river environments.

In order to achieve this, the Council needs to better understand the existing capacity of the network, where and to what extent we are providing flood protection to a 1 in 5 year severity event, and where the areas exposed to high flood risk are. Our hydraulic modelling projects will address this over the next three years; planning controls will also play an important and increasing role in reducing risk. There are some known problem areas and we propose progressive improvement in these areas whilst still advancing our understanding of city wide issues.

The water quality impacts of the network are also not well understood. The ongoing integrated catchment management planning work will identify targeted improvement opportunities, which will assist in meeting new standards set through the Greater Wellington Regional Council whaitua process.

Significant future decisions

Significant future decisions are subject to the Council’s Policy on Significance. This is reviewed every 3 years with the LTP. Over the period of this strategy, the Council will consider the following as part of this review.

The funding and consenting impacts of water quality standards in the National Policy Statement on Freshwater Management and set through the Wellington regional plan review and whaitua processes.

The integration of land use and infrastructure development – identifying network upgrades and bringing forward renewals to support the Council’s growth aspirations.

Identifying and funding those localised flood protection projects required to provide flood protection to a 1 in 50 year severity event in at risk areas.

Financial commentary

The charts that follow tell us that actual forecasted renewal costs will be less than budgeted for in the current LTP. In addition, spending fluctuates over the next 100 years with several spending spikes relating to the age and condition of the assets during that time, and most of the renewal and upgrade work is being undertaken around storm flood protection.

Infrastructure and financial profiles

With the level of detail the Council now has at its disposal to interrogate the performance of its infrastructure assets, we can have a high degree of confidence around that performance. The charts below clearly demonstrate the expected future financial commitments expected in each asset group.

Draft subject to change

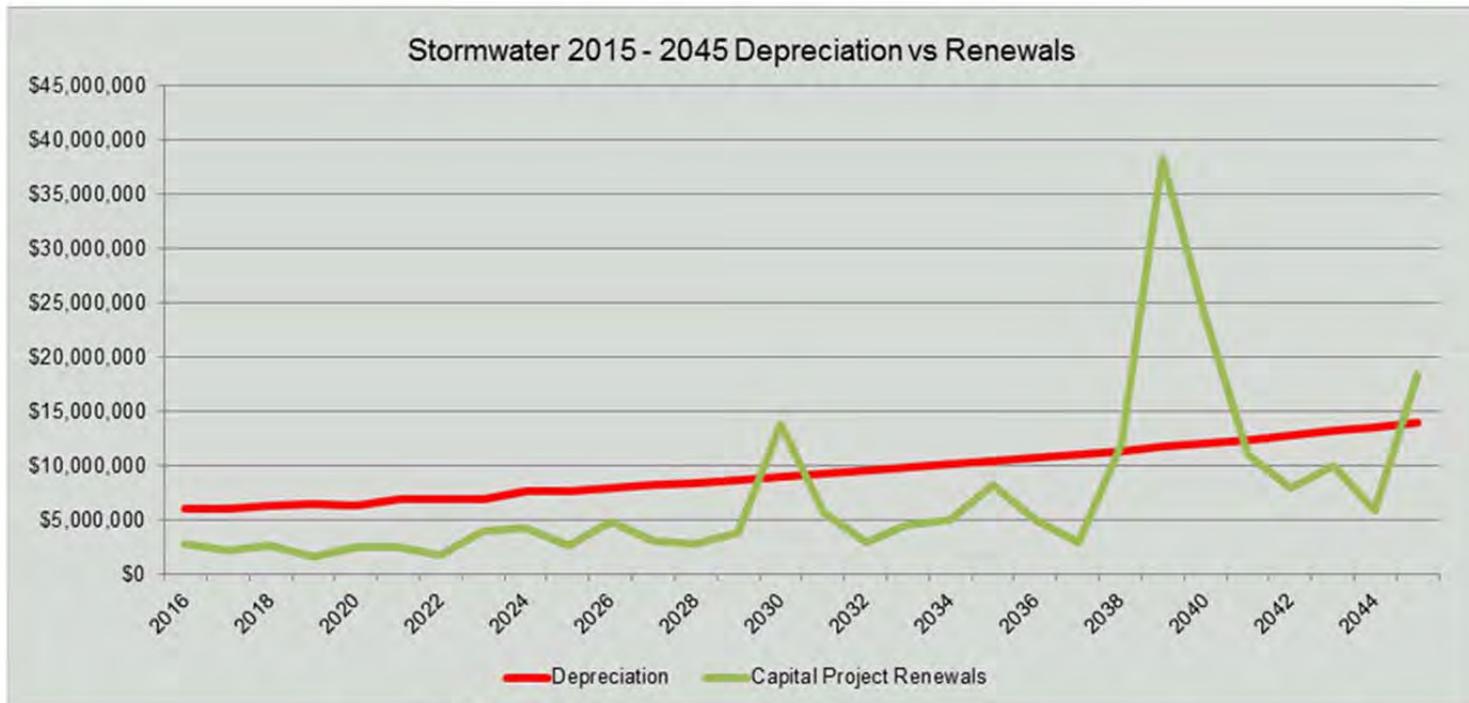
Scenario / service cost

Stormwater 2015 - 2045 Financial Plan

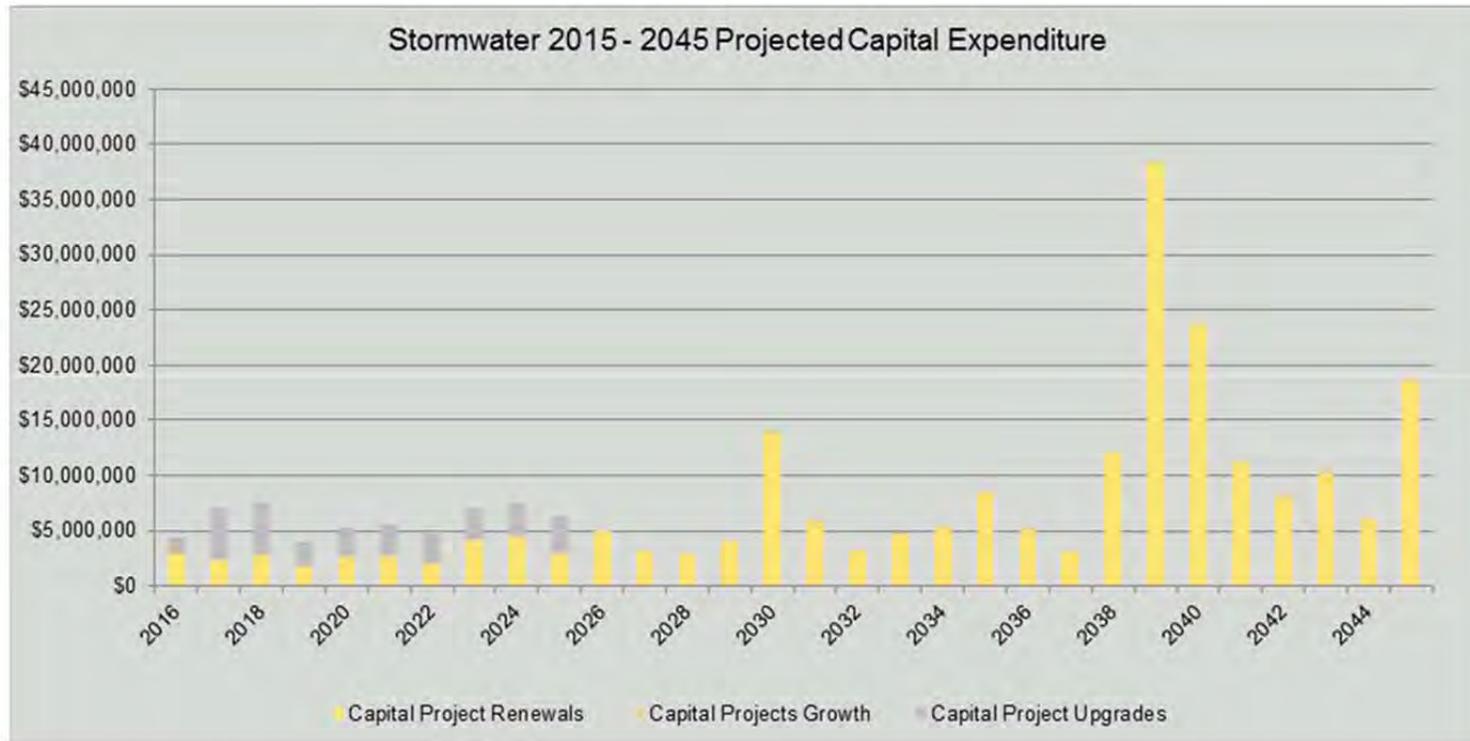
Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	10,528,489	10,865,471	11,558,182	101,651,965	134,604,108	80,834,913	93,709,819	108,635,364	125,938,161	543,722,365
Stewardship [depreciation]	6,051,949	6,031,270	6,453,127	49,116,707	67,653,053	42,538,579	49,313,872	57,168,293	66,273,720	282,947,518
Income	(9,500)	(9,681)	(9,871)	(75,525)	(104,576)	(63,275)	(73,353)	(85,036)	(98,580)	(424,821)
Total Operating Projects	16,570,938	16,887,060	18,001,439	150,693,147	202,152,585	123,310,217	142,950,338	165,718,621	192,113,301	826,245,062
Capital Project Renewals	2,793,658	2,233,314	2,748,833	19,626,854	27,402,657	28,560,380	26,795,498	82,028,003	53,386,189	218,172,728
Capital Project Upgrades	1,514,871	4,641,154	4,753,723	19,163,380	30,073,127					30,073,127
Capital Projects Growth	146,588	145,891	149,366	1,558,743	2,000,589	1,094,004	1,268,250	1,470,250	1,704,423	7,537,516
Total Capital Projects	4,455,117	7,020,359	7,651,922	40,348,976	59,476,373	29,654,384	28,063,748	83,498,253	55,090,612	255,783,371
				-	-				-	-
Grand Total	21,026,055	23,907,419	25,653,361	191,042,124	261,628,958	152,964,602	171,014,086	249,216,874	247,203,913	1,082,028,433

The above table shows the projected operational and capital expenditure for the 30 years of stormwater activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Item 3.1 Attachment 1



The above graph shows the projected capital renewal expenditure and depreciation funding for 30 years of stormwater activity. The movement in renewals reflects the age and condition of the asset and its replacement cycle.



The above shows the projected capital renewal, growth and upgrade expenditure for the 30 years of stormwater activity. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Water Supply

Summary

Our water network provides the city with a cost-effective, safe and secure supply of potable water during normal conditions (on a day-to-day basis), along with supply of water during adverse conditions, such as after an earthquake or other natural disaster. The water supply network is large and complex, delivering 30 billion litres of water a year through the network. As with all our core infrastructure services, we have a large inventory of physical assets that require funding commitments for operation, renewal, and development.

The Council is working with other councils in the region to agree on a level of service for the provision of water during and after a major earthquake.

Water supply infrastructure profile and level of service

Our water supply infrastructure is in good condition and our levels of service are meeting the needs of the city. These service levels are sustainable and affordable. Our current operations, programmes, and financial commitments are adequate to sustain this level of service over the immediate and medium-term (being within a 10–30 year horizon). Where low-risk assets are efficiently used to full capacity, close monitoring will occur.

Growth and demand

While at a city-wide level we do not have a problem in meeting expected future demands on water supply, we expect to see increased demand in localised parts of the city. This will put pressure on the local network's ability to meet increased demand that will necessitate extra local storage. For example, the Hospital Prince of Wales reservoir proposed for construction over the 2018-25 period will cater for intensification of dwellings in the central city.

A more detailed evaluation of future demand and the development of a strategy to adequately meet this demand are required in the future.

Major issues and risks

Issue/risk	Options to address issue/risk
Data availability and confidence.	Comprehensive programme of data collection and data review.
Some areas experience low water pressure.	Progressive improvements concurrent with renewals projects.
Some areas do not comply with Fire Service Code of Practice.	Progressive improvements concurrent with renewals projects.
Reduction of water consumption and unaccounted for water.	Continued education programmes, coordinated regionally by Wellington Water.
Increasing demand from population and economic growth.	Continue with water conservation education to free up capacity. Additional local storage to respond to localised increases in demand.
Network resilience to earthquake risk.	Continue programme of increasing seismic resilience of existing reservoirs and network. Work with Wellington Water to improve bulk network resilience. Work with District Health Board to increase storage for the Hospital Increase treated water storage with construction of the Prince of Wales reservoir.
Continuity of supply during and after a seismic event.	Work with other councils to agree on a LoS for provision of water during and after a major earthquake. Implement a work

programme to achieve this target.

Most likely scenario for service

The current level of service will be maintained and the operations and renewals programmes in place will adequately deliver this level of service sustainably over the medium and long-term. Reactive maintenance costs will be monitored closely. Efficiencies and economies of scale will be achieved from the Wellington Water merger, along with growth to match capacity and renewals requirements.

Innovation is likely to reduce renewal costs in the medium term

Aside from some spending spikes over the next 100 years, a relatively high proportion of the spending on renewing potable water pipes will be during the next 10-30 years (with a focus in the city's northern areas). In addition, forecasted actual costs will be less than what is budgeted for in the LTP.

We will work with other councils in the region to agree on a LoS for the provision of a water supply during and after a seismic event. This will then inform a work programme to achieve this target.

Significant future decisions

Significant future decisions are subject to the Council's Policy on Significance. This is reviewed every 3 years with the LTP. Over the period of this strategy, the Council will consider the following as part of this review.

Improvements associated with the development and maintenance of an increasingly resilient network.

- The integration of land use and infrastructure development – identifying network upgrades and bringing forward renewals to support Council's growth aspirations.

Financial commentary

The diagrams below tell us that, aside from some spending spikes over the next 100 years, a relatively high proportion of the spending on renewing potable water pipes will be during the next 10–20 years (with a focus in the city's northern areas). In addition, forecasted actual costs will be less than what is budgeted for in the LTP.

Infrastructure and financial profiles

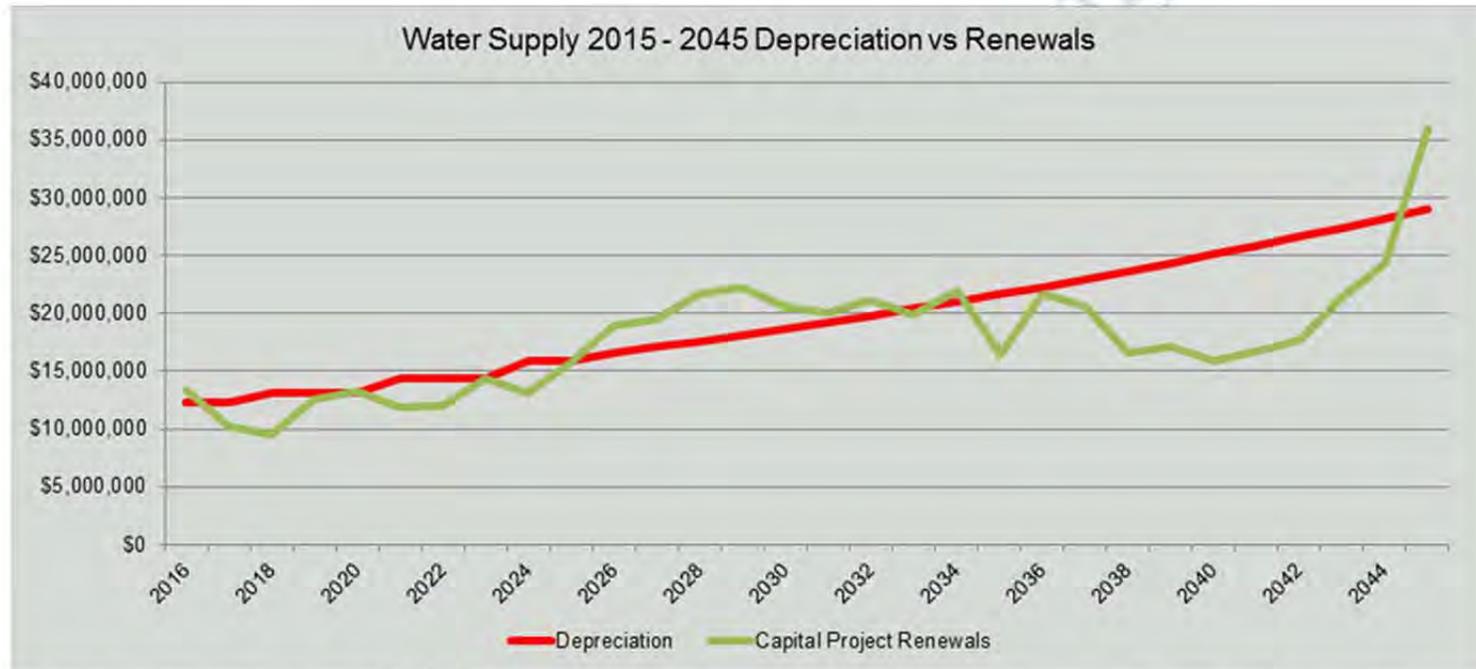
With the level of detail the Council now has at its disposal to interrogate the performance of its infrastructure assets, we can have a high degree of confidence around that performance. The charts below clearly demonstrate the expected future financial commitments expected in each asset group.

Scenario / service cost

Water Supply 2015 - 2045 Financial Plan

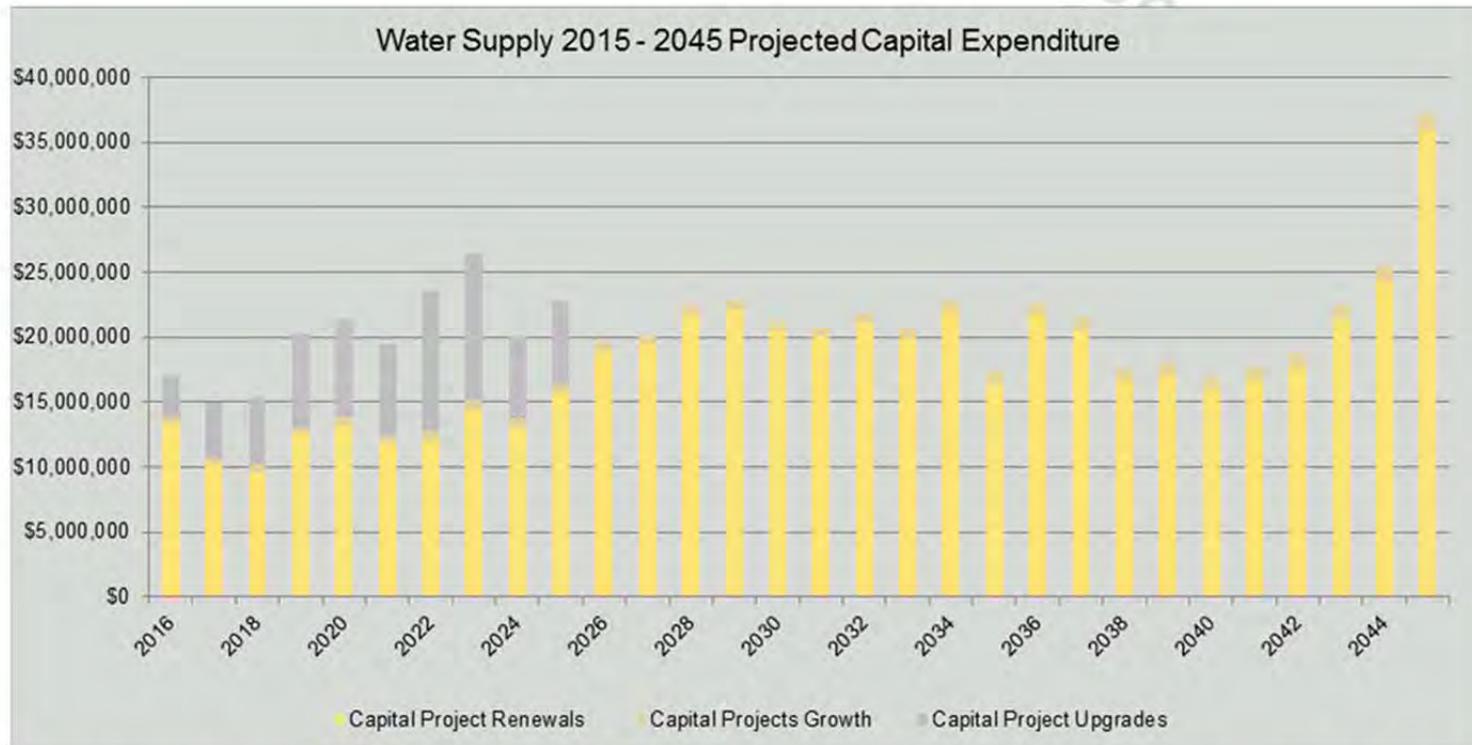
Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	26,029,088	27,561,861	29,305,878	274,290,082	357,186,909	246,012,446	285,195,851	330,620,156	383,279,375	1,602,294,738
Stewardship [depreciation]	12,282,211	12,301,414	13,182,209	100,909,855	138,675,689	88,028,110	102,048,706	118,302,419	137,144,927	584,199,852
Income	(34,700)	(35,359)	(36,053)	(275,865)	(381,978)	(231,120)	(267,932)	(310,606)	(360,078)	(1,551,713)
Total Operating Projects	38,276,600	39,827,916	42,452,033	374,924,072	495,480,621	333,809,436	386,976,625	448,611,969	520,064,225	2,184,942,877
Capital Project Renewals	13,350,699	10,191,111	9,583,830	92,779,073	125,904,712	102,834,665	99,384,472	91,884,171	116,112,020	536,120,041
Capital Project Upgrades	3,029,513	4,196,858	5,175,237	56,757,310	69,158,918					69,158,918
Capital Projects Growth	570,980	546,936	651,211	4,600,427	6,369,554	3,483,133	4,037,906	4,681,040	5,426,608	23,998,240
Total Capital Projects	16,951,192	14,934,904	15,410,278	154,136,810	201,433,184	106,317,798	103,422,378	96,565,211	121,538,628	629,277,199
				-	-					-
Grand Total	55,227,792	54,762,820	57,862,311	529,060,882	696,913,805	440,127,234	490,399,004	545,177,180	641,602,853	2,814,220,076

The above table shows the projected operational and capital expenditure for 30 years of water supply activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.



The above graph shows the projected capital renewal expenditure and depreciation funding for 30 years of water supply activity. The movement in renewals reflects the age and condition of the asset and its replacement cycle.

Item 3.1 Attachment 1



The above shows the projected capital renewal, growth and upgrade expenditure for the 30 years of water supply activity. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from year 11 to 30 are currently unplanned and unbudgeted

Wastewater

Summary

Our wastewater service is focussed on providing the safe and reliable conveyance and treatment of wastewater. This incorporates the safe, efficient conveyance of wastewater from households and other properties to treatment plants and treatment that meets environmental and health standards. As with all our core infrastructure services, we have a large inventory of physical assets and therefore require funding commitments for operation, renewal and development. The wastewater network primary assets are pipes for conveyance and treatment plants. A flagship blue-belt project focussing on inflow, infiltration and the real-time monitoring of wastewater flows is one of a number of key initiatives in the 2015–25 LTP.

Wastewater infrastructure profile and levels of service

Our wastewater infrastructure is in good condition and our levels of service are meeting the needs of the city. These service levels are sustainable and affordable. Our current operations, programmes, and financial commitments are adequate to sustain this level of service over the immediate and medium-term (being within a 10–30 year horizon). Where low-risk assets are efficiently used to full capacity, close monitoring will occur. A high proportion of renewals work will be concentrated on fixing inflow and infiltration problems linked to pipe condition; a relatively high proportion of the money spent will be during the next 10–20 years.

Growth and demand

Demand increases are likely to come from northern parts of the city over the medium (10 to 30 years) to long-term (post 30 years) with particular implications for the capacity of the Porirua wastewater treatment plant (of which the Council owns 27.6 percent). Renewals requirements will ramp up between 8 and 20 years into the future.

Major issues and risks

Issue/risk	Options to address issue/risk
Data availability and confidence.	Comprehensive programme of data collection and data review.
Stormwater and groundwater ingress into the sewer network causing overflows to stormwater and water quality problems.	Use new hydraulic models to target intervention in both public and private networks. Install real-time monitoring system throughout network to proactively manage overflows.
Effects from hydrogen sulphide on the network.	Implementation of a monitoring plan and improvement works as required.
Existing network has capacity limitations.	Address stormwater and groundwater ingress. Progressive improvements concurrent with renewals projects. Use new hydraulic models to identify trunk network deficiencies.
New water quality standards and consenting requirements.	Introduction of the blue-belt project focussing on inflow, infiltration and the real-time monitoring of wastewater flows to reduce the impact on water quality.
Climate change impact on network.	Use new hydraulic models to improve understanding of risk and timing.
Increasing demand from population and economic growth – in particular the impact of growth from the northern suburbs on the Porirua wastewater treatment plant.	Work with Porirua City to increase Johnsonville treatment plant capacity to accommodate growth in northern growth areas.

Sludge disposal.	Investigations are under way to develop a regional solution to sludge disposal. There is likely to be capital implications, which will be included in the 2018–2021 LTP.
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Most likely scenario for service

The current level of service will be maintained and the operations and renewals programmes in place will adequately deliver this level of service sustainably over the medium and long-term.

Significant future decisions

Significant future decisions are subject to the Council's Policy on Significance. This is reviewed every 3 years with the LTP. Over the period of this strategy, the Council will consider the following as part of this review:

- The funding and consenting impacts of water quality standards in the National Policy Statement on Freshwater Management and set through the Wellington regional plan review and whaitua processes.
- The integration of land use and infrastructure development – identifying network upgrades and bringing forward renewals to support the Council's growth aspirations.
- The development and maintenance of an increasingly resilient network.
- The delivery model the Council wishes to employ at the end of the current Clearwater Wellington Design / Build / Operate contract in 2020 for the Moa Point and Western (Karori) wastewater treatment plants.
- Options for reducing the impact of waste activated sludge on solid waste minimisation initiatives.

Financial commentary

The detailed information we have tells us, firstly, that forecasted actual costs over the next 100 years are very closely aligned with what is budgeted for in the LTP. It also shows that a high proportion of renewals work will be concentrated in the city's northern areas and that a relatively high proportion of the money spent will be during the next 10–20 years. Finally, all growth, upgrade, and renewal work will be focussed on safe transport of wastewater; and that spending on wastewater treatment is expected to be operational only.

Infrastructure and financial profiles

With the level of detail the Council now has at its disposal to interrogate the performance of its infrastructure assets, we can have a high degree of confidence around that performance. The charts below clearly demonstrate the expected future financial commitments expected in each asset group.

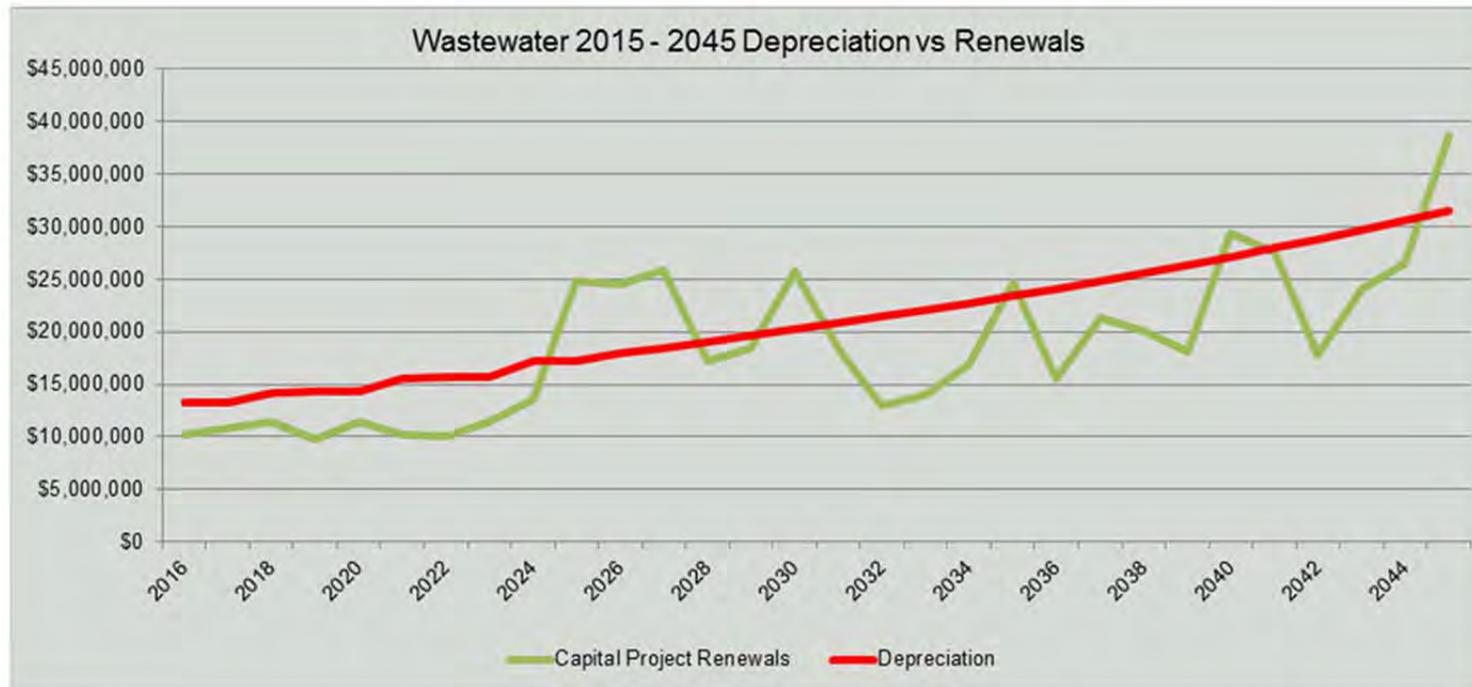
Scenario / service cost

Wastewater Supply 2015 - 2045 Financial Plan

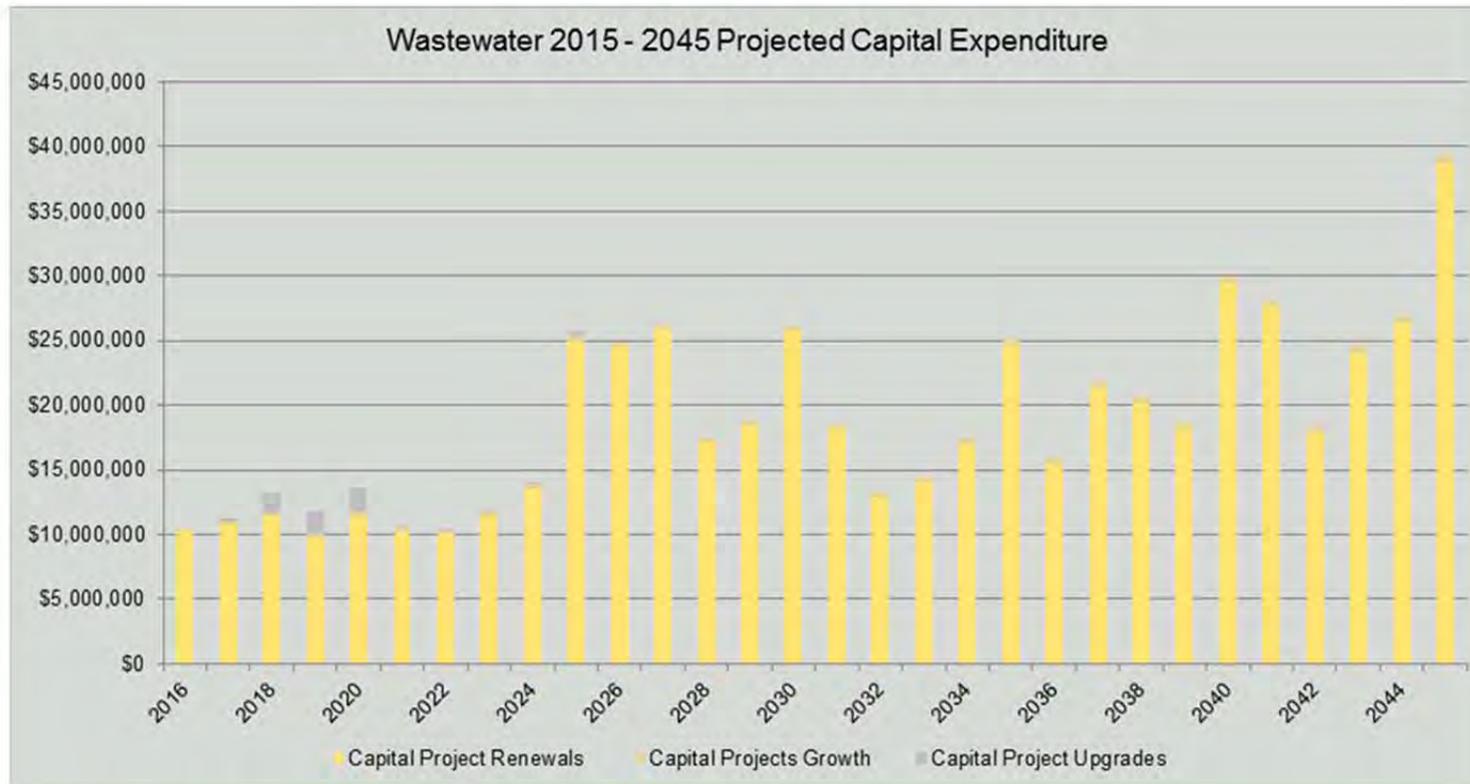
Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	26,701,575	27,835,777	29,261,270	250,600,899	334,399,520	238,516,516	276,506,013	320,546,252	371,600,960	1,541,569,262
Stewardship [depreciation]	13,230,309	13,242,700	14,231,509	109,970,551	150,675,069	95,258,791	110,431,047	128,019,850	148,410,093	632,794,850
Income	(614,900)	(626,583)	(638,881)	(4,888,458)	(6,768,823)	(4,095,558)	(4,747,874)	(5,504,087)	(6,380,746)	(27,497,089)
Total Operating Projects	39,316,984	40,451,893	42,853,897	355,682,992	478,305,766	329,679,749	382,189,186	443,062,015	513,630,307	2,146,867,023
Capital Project Renewals	10,257,575	10,779,959	11,380,464	91,262,915	123,680,913	111,880,292	86,875,704	104,698,215	134,604,866	561,739,990
Capital Project Upgrades	1,673	313,575	1,616,712	4,318,025	6,246,639					6,246,639
Capital Projects Growth	224,795	233,234	322,285	2,622,625	3,402,939	1,860,866	2,157,254	2,500,849	2,899,169	12,821,077
Total Capital Projects	10,480,697	11,326,767	13,319,461	98,203,566	133,330,491	113,741,158	89,032,959	107,199,063	137,504,035	580,807,707
				-	-					-
Grand Total	49,797,681	51,778,661	56,173,358	453,886,558	611,636,257	443,420,908	471,222,145	550,261,078	651,134,342	2,727,674,730

The above table shows the projected operational and capital expenditure for the 30 years of wastewater activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Item 3.1 Attachment 1



The above graph shows the projected capital renewal expenditure and depreciation funding for 30 years of wastewater activity. The movement in renewals reflects the age and condition of the asset and its replacement cycle.



The above shows the projected capital renewal, growth and upgrade expenditure for the 30 years of wastewater activity. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Legislation does not require the Council to include its Social Infrastructure in its 30IS. However, as part of its broader asset management strategy, the Council is working towards developing similar asset management information it now holds for its network infrastructure, which it will improve further over time. This will allow the Council to develop statistical modelling to inform its long-term renewal work programme in its social infrastructure. The following section summarises the Council's planned responses to asset management using a similar approach to that used in the network infrastructure. It includes service profile and level of service, growth and demand assumptions, issues and risks, and options to address risk. The social infrastructure included in the following section includes:

- Libraries and Community Services.
- Parks and Open Spaces.
- Recreation Services.
- Community Health Services.
- City Housing.
- Corporate Property.

Draft subject to change

Libraries and Community Services

Summary, profile and level of service

Libraries and Community Services incorporate the facilities and spaces used for library and community activities (including childcare centres and services). These facilities and services help educate, inform, and bring people together; they provide a platform to deliver the activities and services that contribute to strong communities, and provide for important functions within those communities. In our community infrastructure there is under-utilisation and in some geographical areas lack of alignment between the level of services. These services are intensive in the heavy use associated with physical assets (i.e. the properties and buildings). Currently, our levels of service are meeting the needs of the city, though in some cases demand exceeds capacity and in other areas there is under-utilisation of facilities.

Growth and demand

Growth in services will be driven predominantly by population growth, mainly in the northern and central areas of the city. Changes in demand will be aligned with changing demographics, community expectations, and the adoption of technological solutions for service provision. Aligning services with community expectations will likely determine demand growth, for example, the more technology is adopted, and the greater the demand will be for services.

Major issues and risks

Libraries

Issue/risk	Options to address issue/risk
Facilities not fit for purpose.	Rationalise and transform the network of buildings and develop as "hubs" to address the changing role of libraries. Work with local communities to transition parts of the current branch network to a more community-driven model for smaller libraries.
Cost of service provision. Current funding model is not sustainable.	Review Funding Policy. Rationalise and transform the network of buildings and develop as "hubs" to address the changing role of libraries. Work with local communities to transition parts of the current branch network to a more community-driven model for smaller libraries.
Managing customer expectations for digital services.	Continue working with aggregators and other library partners, for example the National Library, to expand digital offerings.

Community Services

Issue/risk	Options to address issue/risk
Facilities not fit for purpose.	Rationalise/divest. Explore options of decoupling service from old and not fit for purpose buildings. Look at opportunity to support further devolvement to community ownership and service delivery. Devolve service delivery to community groups. Partner with existing non-Council community venues and support service delivery through grants.
Cost of direct (Council) delivery of service	Continue to devolve service delivery to community groups and support through three contracts for services – from grants. Ensure support is in place to assist community groups to provide effective outcomes for their local communities. This includes use of technology.

Most likely scenario for service

In the short to medium term (5–10 years), the libraries' current services will grow as we face the challenge of transitioning to online communities, while at the same time we maintain our current physical services. Over the longer term of the 30IS, under-utilisation and capacity / demand alignment may drive changes in the delivery and level of the service. In the short to medium term (5–10 years) current services from community services/assets will transition to partnership arrangements to deliver hyper-local community driven programmes and services, as well as a move to further decoupling of services from Council-owned assets.

Significant future decisions

Over the period of this strategy, the Council will need to consider the following:

Libraries

- The number and location of physical service points.
- The funding model for library service.

Community Services

- As part of the community facilities review, a number of communities have been identified for facilities upgrades.
- Earthquake assessments have identified many buildings are not fit for purpose.

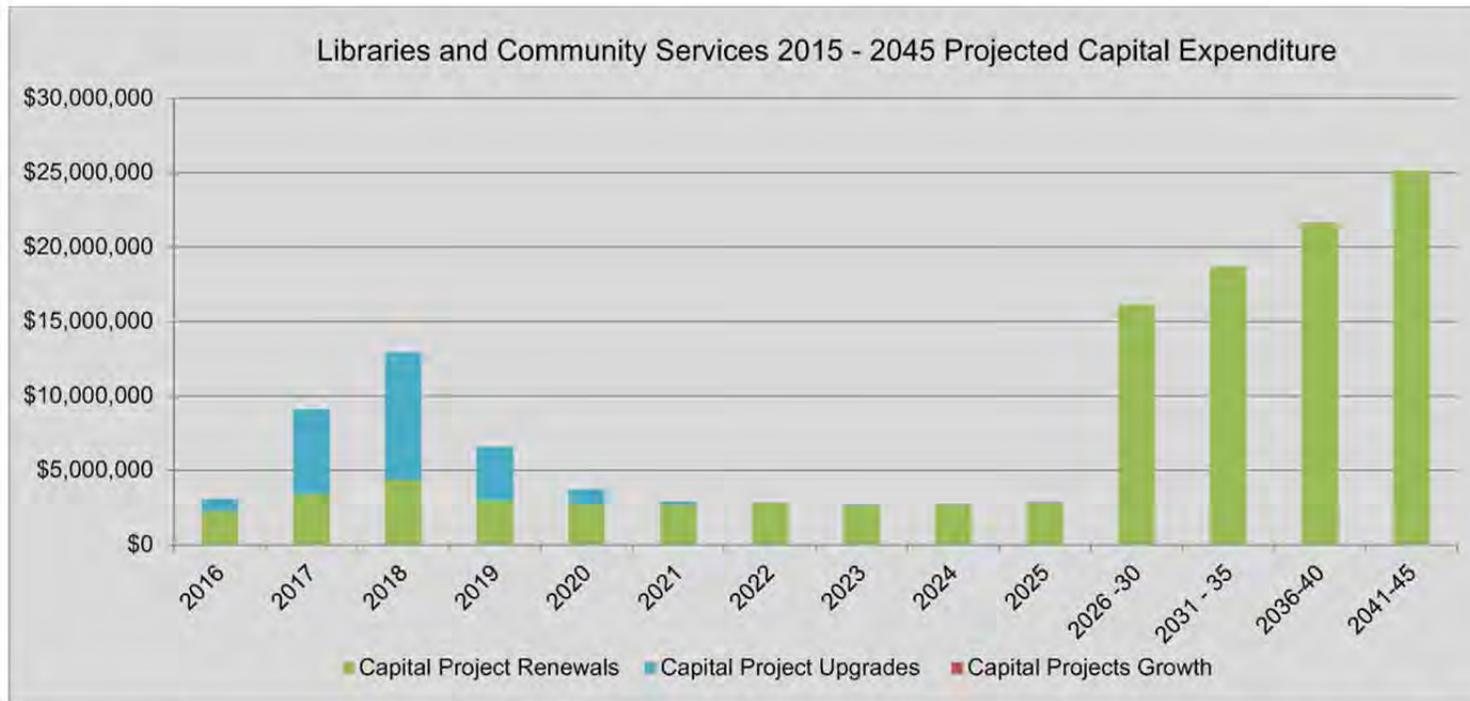
Scenario / service cost

Libraries and Community Services 2015 - 2045 Financial Plan

Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	19,987,296	20,736,884	21,443,734	167,508,923	229,676,836	135,074,955	156,588,893	181,529,444	210,442,378	913,312,505
Stewardship [depreciation]	3,694,551	4,481,085	5,007,786	44,404,253	57,587,676	33,126,322	38,402,486	44,519,007	51,609,731	225,245,222
Income	(1,714,966)	(1,611,497)	(1,523,441)	(9,854,732)	(14,704,636)	(7,699,942)	(8,926,343)	(10,348,078)	(11,996,258)	(53,675,256)
Total Operating Projects	21,966,881	23,606,471	24,928,079	202,058,445	272,559,876	160,501,335	186,065,037	215,700,373	250,055,850	1,084,882,471
Capital Project Renewals	2,245,276	3,395,500	4,374,279	19,476,751	29,491,806	16,127,328	18,695,993	21,673,780	25,125,852	111,114,759
Capital Project Upgrades	843,920	5,709,416	8,551,982	4,978,727	20,084,045					20,084,045
Capital Projects Growth	-	-	-	-	-					-
Total Capital Projects	3,089,196	9,104,916	12,926,261	24,455,478	49,575,851	16,127,328	18,695,993	21,673,780	25,125,852	131,198,804
										-
Grand Total	25,056,076	32,711,387	37,854,340	193,031,920	322,135,726	176,628,663	204,761,030	237,374,154	275,181,702	1,216,081,275

The above table shows the projected operational and capital expenditure for the 30 years for libraries activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Item 3.1 Attachment 1



The above shows the projected capital renewal, growth, and upgrade expenditure for the 30 years of libraries activity. This is followed by the projected capital expenditure in subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Parks and Open Spaces

Summary, profile and level of service

Our parks and open spaces provide year-round opportunities for residents and visitors to access open space, recreation, and natural areas. The service comprises open spaces, botanic gardens, outdoor public arts, memorials, and playgrounds. Open spaces are managed in ways that balance conservation and enhancement with opportunities for enjoyment and recreation. Playgrounds give families and young people safe, accessible, and convenient places to play, while our public art and memorials make a significant contribution to the quality of public space and are often colourful expressions of the city's creativity.

Our parks and open spaces are in good condition, and our levels of service are meeting the needs of the city. The provision of open spaces is also supported by a strong network of volunteers, who advocate for and help maintain these areas. While in general levels of service are currently being met there are instances where this is not the case.

Growth and demand

Growth in the service is driven by increases in urban development and improvement, along with an increase in reserve estate assets through subdivision growth. Growth and demand are also influenced by recreational trends, for example dog exercise areas, walking, and mountain biking. Changing demographics will also influence how our customers will use the parks and open spaces and how we will respond to those needs, for example providing opportunities for an ageing population to access and enjoy the natural areas. Growth and demand, such as increasing public expectations for access, puts pressure on levels of service.

Major issues and risks

Issue/risk	Options to address issue/risk
Growing asset base due to development.	Plan for development areas to make sure levels of service are maintained. Reduce levels of service.
Intensified use of open space due to urban intensification and population growth.	Adapt spaces; prioritise use and service to respond to intensified use.
Climate change and weather events.	Improve understanding of risks and timing. Target improvements to key open space land and infrastructure.
Changes in recreation trends.	Engage with and understand our stakeholders to make sure we plan for current and future trends and patterns.

Most likely scenario for service

Due to development, growth in the use of our existing network and land asset base will mean we need to manage operational funding levels to maintain the current levels of service. We also need to make sure we have the ability to respond to effects of climate change, especially in coastal areas and as a result of storm events.

Significant future decisions

Over the period of this strategy, the Council will need to consider the following:

- The development and maintenance of an increasingly resilient network.

- Continuing investment in maintaining and improving biodiversity.
- Making sure the existing resources are managed in response to intensified use and changing demographics.
- Flexibility to respond to demographic and recreational changes.

Financial commentary

The renewals programme for this service is based on the National Asset Management Steering Group (NAMS) industry standards, combined with the Council's specific growth, demand, and environmental factors. The operation, maintenance, and renewal of this service is relatively predictable, and the Council will continue to implement optimised asset lifecycles to meet legislative and level of service requirements. The short to medium-term capital investment in the parks and open spaces will be partially funded by the Charles Plimmer Bequest; this includes the Wellington Botanic Garden Children's Garden, the proposed heritage park on Watts Peninsula, and various open space upgrades. A corresponding operation and maintenance programme has been funded mid to long-term to make sure the future growth of the asset base through new subdivisions and reserves agreements is managed, with provision to support to the increasing parks and open space volunteer base.

Draft subject to change

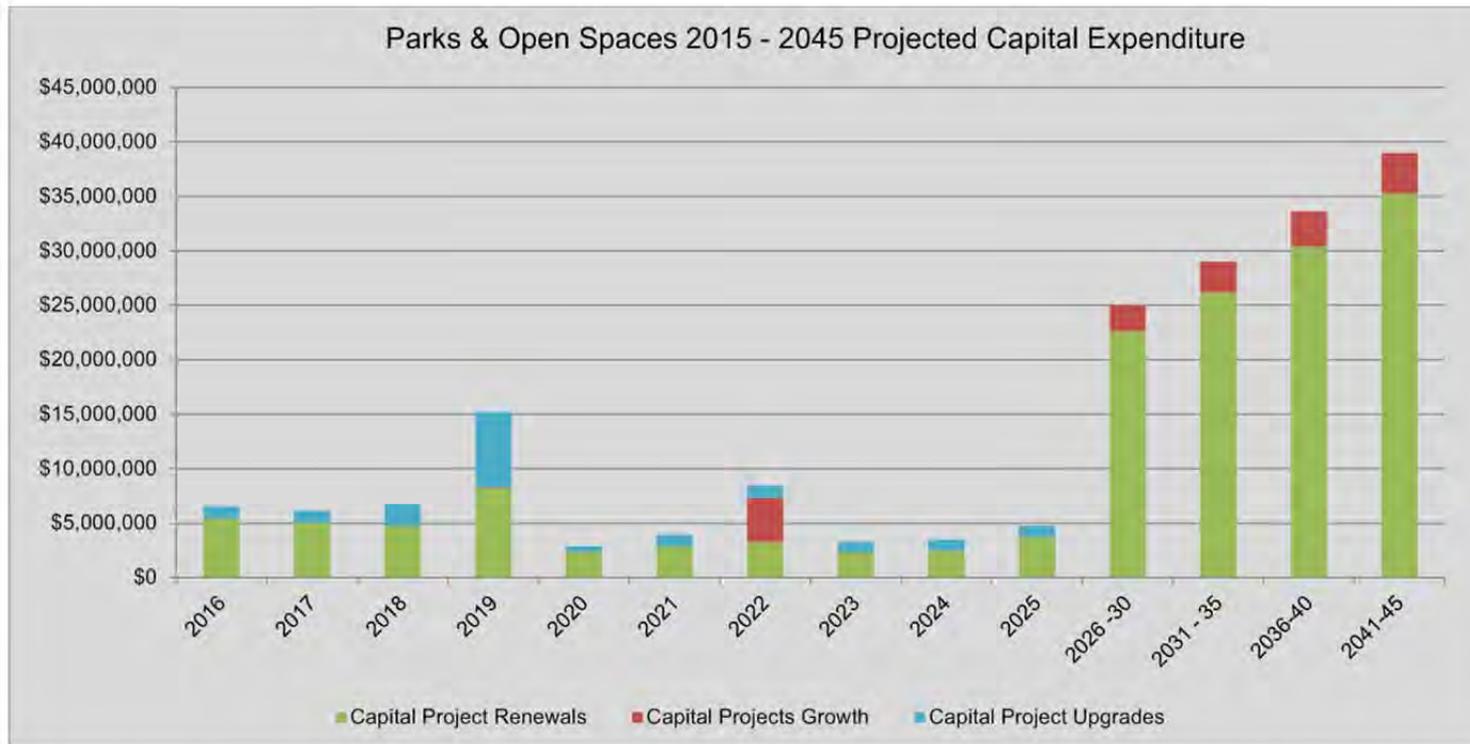
Scenario / service cost

Parks and Open Spaces 2015 - 2045 Financial Plan

Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	18,649,235	18,732,820	19,505,311	163,329,119	220,216,486	137,905,152	159,869,868	185,332,993	214,851,734	918,176,232
Stewardship [depreciation]	4,213,954	4,210,412	4,279,942	30,946,336	43,650,645	26,383,611	30,585,836	35,457,367	41,104,806	177,182,264
Income	(537,268)	(547,476)	(558,221)	(4,271,281)	(5,914,246)	(3,578,486)	(4,148,446)	(4,809,186)	(5,575,165)	(24,025,529)
Total Operating Projects	22,325,921	22,395,756	23,227,032	190,004,175	257,952,884	160,710,277	186,307,258	215,981,174	250,381,375	1,071,332,967
Capital Project Renewals	5,387,506	5,027,005	4,745,478	25,157,039	40,317,028	22,628,246	26,232,339	30,410,470	35,254,070	154,842,152
Capital Project Upgrades	1,151,445	1,108,289	1,984,167	12,581,271	16,825,172					16,825,172
Capital Projects Growth	34,332	35,178	36,062	4,284,212	4,389,784	2,400,514	2,782,853	3,226,089	3,739,922	16,539,162
Total Capital Projects	6,573,284	6,170,472	6,765,706	42,022,521	61,531,983	25,028,759	29,015,192	33,636,560	38,993,992	188,206,485
				-	-					-
Grand Total	28,899,205	28,566,228	29,992,739	232,026,697	319,484,867	185,739,036	215,322,449	249,617,733	289,375,367	1,259,539,453

The above table shows the projected operational and capital expenditure for the 30 years for parks and open spaces activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11– 30 are currently unplanned and unbudgeted.

Item 3.1 Attachment 1



The above shows the projected capital renewal, growth and upgrade expenditure for the 30 years of parks and open spaces activity. This is followed by the projected capital expenditure in subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11–30 are currently unplanned and unbudgeted.

Recreation Services

Summary, profile and level of service

Recreation Services – which includes swimming pools, recreation centres, sportsfields and marinas – provide a wide variety of accessible recreation opportunities throughout the city to enhance and encourage health, wellbeing, and quality of life. By providing a range of recreation facilities we also attract visitors, raise the city’s profile and provide economic benefit by hosting national and international events.

Currently, our levels of service are meeting the needs of the city, though in some cases demand exceeds capacity, such as peak time availability of sportsfields training spaces, and in other areas there is under-utilisation of services, for example daytime use of some facilities, such as recreation centres and swimming pools. The physical asset inventory used to provision recreation is generally in good condition, and we will continue to optimise the investment we have made in assets to provide sustainable networks of facilities. This includes making sure we respond and plan accordingly where operational costs for assets are rising, such as for natural turf sportsfields, and also consider future options for unviable assets.

Growth and demand

Service growth will broadly be driven by population growth and demographic changes in areas of the city. Overall service growth is expected to be modest and in line with moderate changes over time in population and demographics. Demand changes for recreation services can be more challenging to understand as they are driven by changing leisure and recreational trends, which can include the demand for casual and informal sporting and recreational activities. Changing demographics will also influence how our customers will use recreation services and how we will respond to those needs, for example providing recreational opportunities for an active ageing population. Increasing community and elite sport expectations also puts pressure on levels of service.

Major issues and risks

Issue/risk	Options to address issue/risk
Impact on the sportsfield network and facilities from NZTA projects e.g. SH1 Ruahine Street Airport Corridor (Kilbirnie Park, Hataitai Park), and Petone / Grenada Link Road (Grenada North Park).	Work with NZTA to continue to provide a sustainable network of sportsfield facilities.
Viability and purpose of some facilities and services.	Explore and implement long-term sustainable options for facilities and services.
Increasing and changing demands from customers and stakeholders, including increasing expectations from community and elite sports.	Work closely with customers and stakeholders and make sure planning is undertaken in a regional context where appropriate.
Utilisation and revenue of recreation services.	Maintain utilisation and revenue through the provision of relevant and attractive facilities to customers.
Climate change impact on marinas.	Target improvements to infrastructure.
Built recreation network resilience to earthquake risk.	Continuous network resilience improvements, prioritised and aligned with 5-yearly maintenance closures.

Most likely scenario for service

In general, the short to medium-term current service levels will be maintained, with some longer term decisions around viability of assets and variations to service required. Decisions about utilisation, capacity, and requirements for further investment in some services may provide for variations in service levels over the medium to long-term.

Significant future decisions

Over the period of this strategy, the Council will need to consider the following:

- The development and maintenance of an increasingly resilient network.
- Continuing investment in maintain and improving revenue and utilisation.
- Ensuring the existing resources are managed in response to changing recreational trends and uses.

Financial commentary

The renewals programme for this service is based on the National Asset Management Steering Group (NAMS) industry standards, combined with the Council's specific growth, demand, and environmental factors. The operation, maintenance, and renewal of this service are relatively predictable, and the Council will continue to implement optimised asset lifecycles to meet legislative and level of service requirements. The capital investment programme in the sportsfields network will be subject to ongoing regional planning requirements, with a corresponding operation and maintenance programme required to ensure the lifecycle of these capital investments are optimised. Implementing long-term sustainable options for facilities providing this service will include exploring other options for use based on growth and demand in leisure and recreational activities.

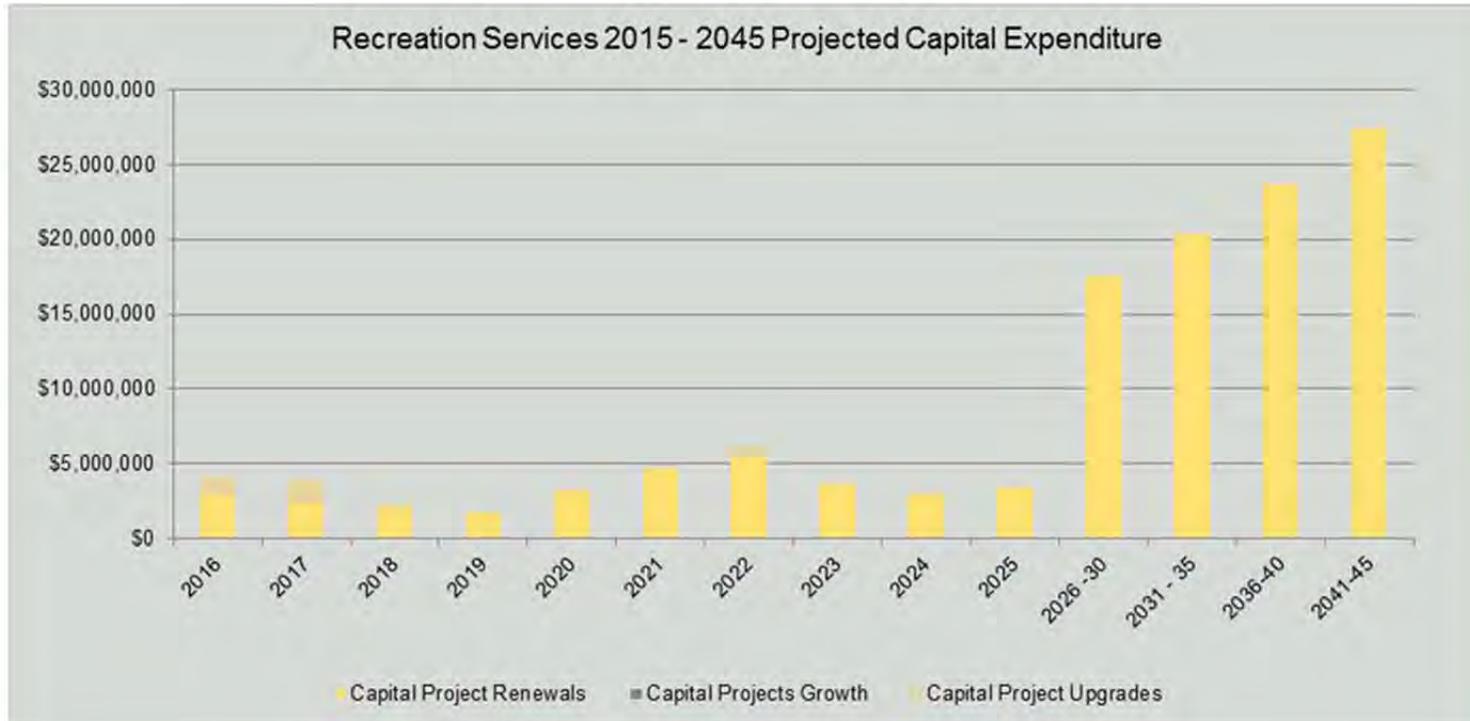
Scenario / service cost

Recreation Services 2015 - 2045 Financial Plan

Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	29,220,440	29,902,361	30,587,254	237,120,900	326,830,955	192,518,404	223,181,594	258,728,636	299,937,400	1,301,196,989
Stewardship [depreciation]	6,865,097	6,899,655	6,359,585	44,152,828	64,277,164	36,779,312	42,637,303	49,428,320	57,300,970	250,423,071
Income	(11,481,303)	(11,780,360)	(11,933,812)	(91,580,590)	(126,776,065)	(77,476,639)	(89,816,659)	(104,122,125)	(120,706,080)	(518,897,568)
Total Operating Projects	24,604,233	25,021,656	25,013,027	189,693,138	264,332,055	151,821,077	176,002,238	204,034,832	236,532,290	1,032,722,491
Capital Project Renewals	2,967,628	2,407,950	1,976,078	24,811,072	32,162,728	17,587,898	20,389,194	23,636,664	27,401,372	121,177,857
Capital Project Upgrades	1,126,203	1,465,862	325,381	1,316,462	4,233,908					4,233,908
Capital Projects Growth	-	-	-	-	-					-
Total Capital Projects	4,093,832	3,873,812	2,301,459	26,127,534	36,396,637	17,587,898	20,389,194	23,636,664	27,401,372	125,411,765
										-
Grand Total	28,698,065	28,895,468	27,314,486	215,820,672	300,728,691	169,408,975	196,391,432	227,671,496	263,933,662	1,158,134,256

The above table shows the projected operational and capital expenditure for the 30 years of recreation services activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11–30 are currently unplanned and unbudgeted.

Item 3.1 Attachment 1



The above table shows the projected operational and capital expenditure for the 30 years of recreation services activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11-30 are currently unplanned and unbudgeted.

Community Health Services

Summary, profile and level of service

Community health services support the health and safety of the city's communities, and also provide for dignified bereavement and resting places. The service comprises public toilets, pavilions, cemeteries, and crematorium services. By providing these services, the Council meets its legislative and policy obligations (such as the Local Government Act (2002) and the Assessment of Water and Sanitary Services (2005) Policy) and reduces public health and environmental risks.

Our public toilets infrastructure currently provides a level of service that is adequate for the city. To ensure the Council continues to meet its legislative requirements (Burial and Cremation Act 1964 – Part 1; section 4) it will continue to invest in cemetery infrastructure to ensure future development requirements are achievable.

Growth and demand

Growth in public toilets and burial and cremation services is closely linked to population, demographic changes, and urban growth. It is expected that service growth will closely match these changes. Demand for particular services can be influenced by changes in trends, for example more people choosing to be cremated, with the public toilet network responding to meet the configuration and growth of the city. Growth and demand, such as increasing public expectations for access, puts pressure on levels of service.

Major issues and risks

Issue/risk	Options to address issue/risk
Cemeteries that will reach capacity in the medium-term of our 30-year horizon.	Makara Cemetery will be required to expand into available flat land to continue to meet the demand for burials. Invest in infrastructure upgrades at Makara Cemetery to ensure future development requirements are achievable.
Cremation services infrastructure that has reached the end of its service life.	We are undertaking a business case to re-invest in crematorium plant examining the return on investment, impact on our funding policy, and key risks and benefits to retaining this level of service. Private provision of service.

Most likely scenario for service

Current public toilet levels of service will be maintained, though urban growth and intensification will put pressure on maintaining this level of service over the medium-term. Burials and cremations infrastructure requires development and renewal to achieve a level of service that meets legislative requirements and community expectations.

Significant future decisions

Over the period of this strategy, the Council will need to consider the following:

- The development and maintenance of an increasingly resilient network.
- Continuing investment to ensure legislative requirements are met.
- Ensuring the existing resources are managed in response to intensified use and changing demographics.

Financial commentary

The renewals programme for this service is based on the National Asset Management Steering Group (NAMS) industry standards, combined with the Council's specific growth, demand, and environmental factors. The operation, maintenance, and renewal of this service are relatively predictable, and the Council will continue to implement optimised asset lifecycles to meet legislative and level of service requirements. The capital reinvestment in the crematorium plant is subject to the approval of the business case and the result will be reflected in the LTP. The capital investment required for the future development of Makara Cemetery will be informed by the survey and geotechnical assessments of the undeveloped land prior to the 2018/19 LTP.

Draft subject to change

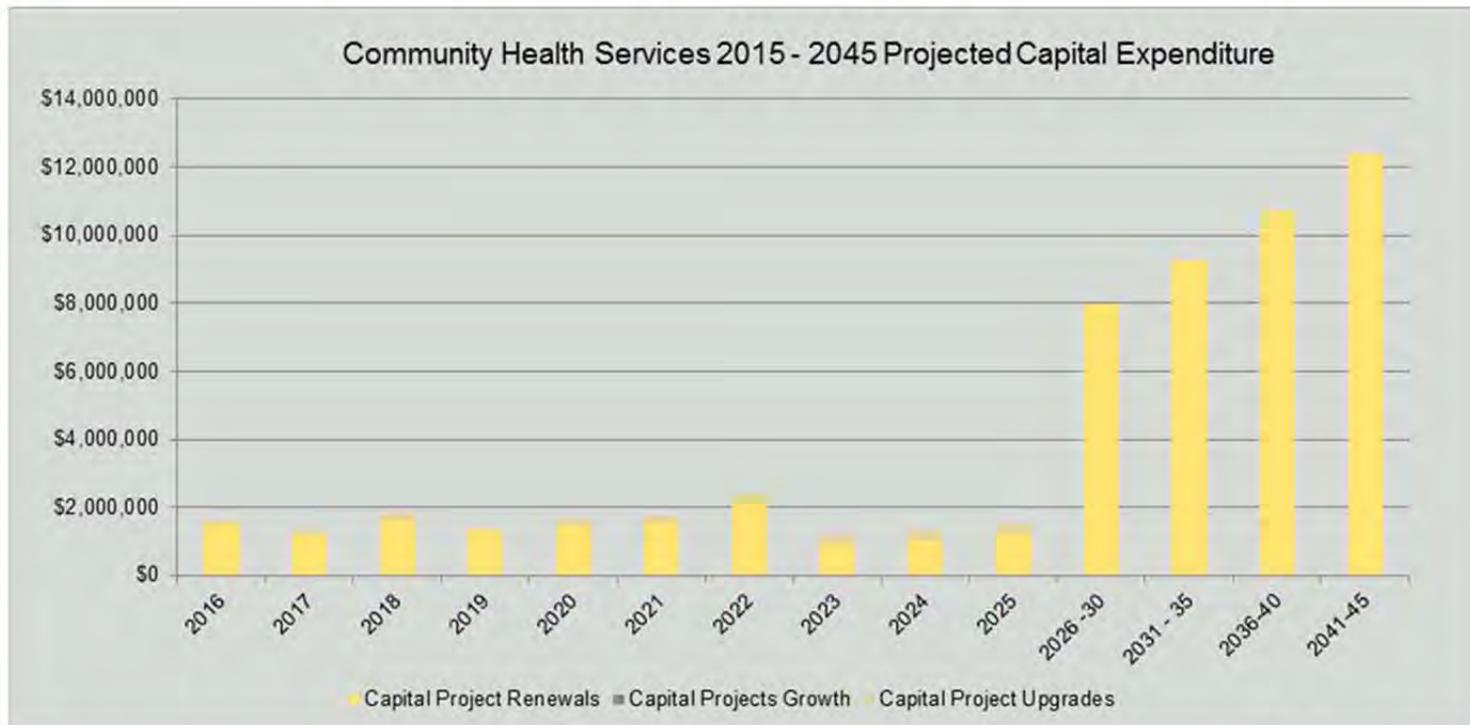
Scenario / service cost

Community Health Services 2015 - 2045 financial plan

Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	3,824,407	3,927,892	4,084,282	32,697,350	44,533,931	27,795,747	32,222,888	37,355,159	43,304,868	185,212,592
Stewardship [depreciation]	640,326	705,203	744,432	6,846,875	8,936,835	6,780,144	7,860,045	9,111,947	10,563,243	43,252,214
Income	(800,396)	(855,523)	(872,314)	(6,674,590)	(9,202,824)	(5,591,983)	(6,482,641)	(7,515,157)	(8,712,127)	(37,504,731)
Total Operating Projects	3,664,337	3,777,571	3,956,399	32,869,635	44,267,942	28,983,908	33,600,293	38,951,949	45,155,984	190,960,075
Capital Project Renewals	1,509,102	1,190,541	1,589,117	9,710,548	13,999,308	7,969,087	9,238,356	10,709,787	12,415,578	54,332,116
Capital Project Upgrades	110,480	150,991	252,935	1,448,926	1,963,332					1,963,332
Capital Projects Growth	-	-	-	-	-	-	-	-	-	-
Total Capital Projects	1,619,582	1,341,532	1,842,052	11,159,475	15,962,640	7,969,087	9,238,356	10,709,787	12,415,578	56,295,449
				-	-					-
Grand Total	5,283,918	5,119,104	5,798,451	44,029,109	60,230,582	36,952,995	42,838,649	49,661,735	57,571,562	247,255,524

The above table shows the projected operational and capital expenditure for the 30 years of community health activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Item 3.1 Attachment 1



The above shows the projected capital renewal, growth, and upgrade expenditure for the 30 years of community health service activity. This is followed by the projected capital expenditure in subsequent 5 year-period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

City Housing

Summary, profile and level of service

Our social housing serves to ensure that basic housing needs are met for people who face barriers in accessing affordable and appropriate housing, and to enable and empower people, where possible, to make changes in their lives. This is carried out through provision of the housing assets, tenancy management services, and community development. At current levels of provision we experience an excess of demand for social housing services over supply.

Approximately 40 percent of the social housing infrastructure has been upgraded within the last 5 years, another 10 percent will be completed by 2016, and there are plans for the remainder to be completed by 2027. Maintenance and renewals programmes are keeping the remainder of the portfolio in a reasonable standard of repair, although poor condition data means we may be currently under or over investing in these programmes.

Growth and demand

Social housing need is driven by population growth, coupled with income levels and access to appropriate and affordable housing by vulnerable households. Demographic changes, along with household composition changes, will require modifications to the types of properties offered by the service.

The form and location of the Council's housing assets is largely based on decisions taken in the 1960s and 1970s. Our stock is therefore predominantly single-person accommodation located in high-density high-rise apartment blocks. Many units are in areas where Housing New Zealand Corporation also has a significant presence. Having a high density of social housing in a suburb brings social and community development challenges. Future demand for social housing needs to be better understood in order to plan for service changes.

Major issues and risks

Issue/risk	Options to address issue/risk
Capital tied up in poor performing assets and cash-flow considerations.	Develop and gain approval for a divestment and investment strategy that targets poor performing assets. Initiate divestment and reinvestment programme in 2015/16. Develop and apply property performance data collection tools and systems.
Lack of future capital to fund growth.	Government housing policy is now firmly focussed on growing the third sector, so it is unlikely the Council will itself receive any direct Crown assistance in the foreseeable future. Explore new capital funding and other opportunities for the Council and its housing partners to grow the quantum of social housing in Wellington. Use any surpluses to fund housing renewal activity.
Upgraded properties offering a higher level of service than non-upgraded properties.	Completion of asset and condition data to enable accurate future projection of maintenance costs. Review of business model to enable sustainable delivery of service.
Ability to deliver key community development programmes constrained.	Review of business model to enable sustainable delivery of service.
Affordability issues for some service users.	Review of Social Housing Policy including policy for rent setting, reviewing options for service user access to government subsidy, and progressing access to IRR.

Most likely scenario for service

The service suffers from a cash flow issue, which puts the tenancy management and community development service levels and reinvestment in the portfolio at risk. Funding constraints and cost escalations mean that levels of service for the social housing asset will continue to fall short of meeting the needs of the city. The long-term sustainability of the social housing service requires a reassessment of the existing business model, which is under way.

Significant future decisions

Over the period of this strategy, the Council will need to consider the following:

- The impact of changes to the delivery of State housing and to the sector through the Government's Social Housing Reform programme.
- The future of the social housing service after the Deed of Grant agreement with the Crown expires in 2037.

Draft subject to change

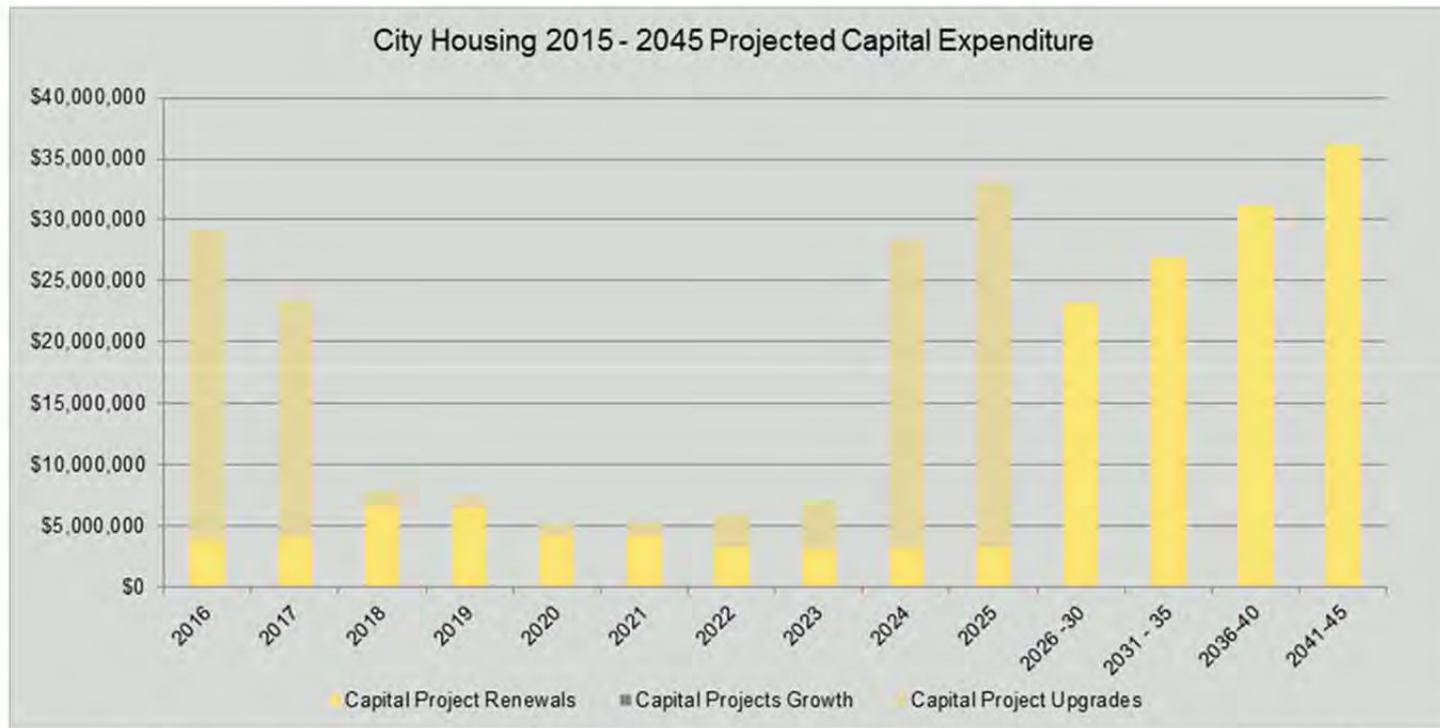
Scenario / service cost

City Housing 2015 - 2045 financial plan

Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	14,033,621	13,691,812	14,239,061	111,053,678	153,018,173	104,169,330	(44,014,316)	(51,024,655)	(59,151,560)	102,996,972
Stewardship [depreciation]	11,614,076	11,918,830	12,580,102	94,646,000	130,759,009	82,289,632	95,396,237	110,590,384	128,204,565	547,239,827
Income	(43,271,356)	(41,102,185)	(25,457,979)	(177,669,058)	(287,500,578)	(143,279,398)	(1,324,972)	(1,536,006)	(1,780,652)	(435,421,605)
Total Operating Projects	(17,623,659)	(15,491,542)	1,361,185	28,030,620	(3,723,397)	43,179,564	50,056,949	58,029,723	67,272,354	214,815,194
Capital Project Renewals	3,825,841	4,151,085	6,626,141	27,838,533	42,441,600	23,208,806	26,905,368	31,190,695	36,158,564	159,905,034
Capital Project Upgrades	25,295,276	19,340,971	1,249,751	64,897,864	110,783,861	0	0	0	0	110,783,861
Capital Projects Growth	-	-	-	-	-	-	-	-	-	-
Total Capital Projects	29,121,117	23,492,055	7,875,892	92,736,397	153,225,461	23,208,806	26,905,368	31,190,695	36,158,564	270,688,895
Grand Total	11,497,457	8,000,513	9,237,077	120,767,017	149,502,064	66,388,371	76,962,317	89,220,419	103,430,918	485,504,088

The above table shows the projected operational and capital expenditure for the 30 years of city housing activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Item 3.1 Attachment 1



The above shows the projected capital renewal, growth, and upgrade expenditure for the 30 years of city housing activity. This is followed by the projected capital expenditure in subsequent 5-year period. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Property and Corporate Assets

Summary, profile and level of service

We provide property management services to ensure the Council's civic and commercial buildings are safe, compliant, and fit for purpose for occupants and users. This function is delivered by the property management and advisory functions with support from contract management services. Our current levels of service are broadly meeting the needs of users, however this becomes increasingly challenging with ageing properties and the changing legislative and compliance requirements.

The corporate assets portfolio includes IT infrastructure systems, fleet, security, and a range of other minor capital items.

Growth and demand

Growth in corporate property services is primarily driven by changes in the Council's own strategies and property requirements; this would usually relate to changing accommodation requirements for business units and CCO services. Possible areas of service growth include incorporating Wellington Waterfront assets into the portfolio and any integration of Council functions across the region.

Major issues and risks

Issue/risk	Options to address issue/risk
Asset condition data collection and analysis needs to improve to support asset management decision making.	The Council's new strategic asset management unit will provide increased data assessment and asset management capability for our assets. This will assist corporate property services to determine how best to utilise and maintain its assets and optimise the delivery of its service.
Current workplace is dated and does not support contemporary working or the Council's need for a flexible, mobile, future-focussed working environment.	The Workplace Project is part of the wider Civic Precinct Development Project. Its key objectives are to: <ul style="list-style-type: none"> - modernise our workplace to increase flexibility and improve collaboration - reduce the total floor space we occupy in the Civic Campus - assess whether there are any consequential development opportunities for the Administration Buildings.
Legislative and compliance changes that will likely have a significant impact on risk profiles and health and safety processes.	A full legal and procedures review is required to understand the new requirements and implications of the new Health and Safety in Employment Act.
Earthquake strengthening requirements will impact on funding and our ability to maintain service levels for building occupiers and users.	Strengthening options for the Town Hall and other Civic Campus buildings are being considered under the Civic Precinct Development Project.
IT investment priorities to support the changing business environment.	The rationalisation of systems across the Council to accommodate the new Core Council Application Platform may impact on the specific Corporate Property data collection and reporting requirements. Ensure property requirements are considered within the wider Council requirements.

Most likely scenario for service

Generally our current levels of service will be maintained, however the portfolio's ageing profile and earthquake strengthening requirements mean we need to critically review our asset condition data and renewal cycles to ensure we optimise the funding available.

The Civic Precinct Development proposal will have a significant impact on occupants of the Civic Campus. This project seeks to find a solution that addresses the earthquake strengthening requirements across the campus, modernises our workplace, releases sites for development, and revitalises the Civic Square public space. Maintaining service levels within the Civic Campus assets will continue to be a challenge until the future state of each of the buildings/sites is resolved.

Investment in IT solutions will enable the Council to effectively and efficiently deliver its core services and enable us to respond to future change.

Significant future decisions

Over the period of this strategy, the Council will need to consider the following:

- Civic Precinct Development proposal.
- Capital Investment in our IT infrastructure.

Draft subject to change

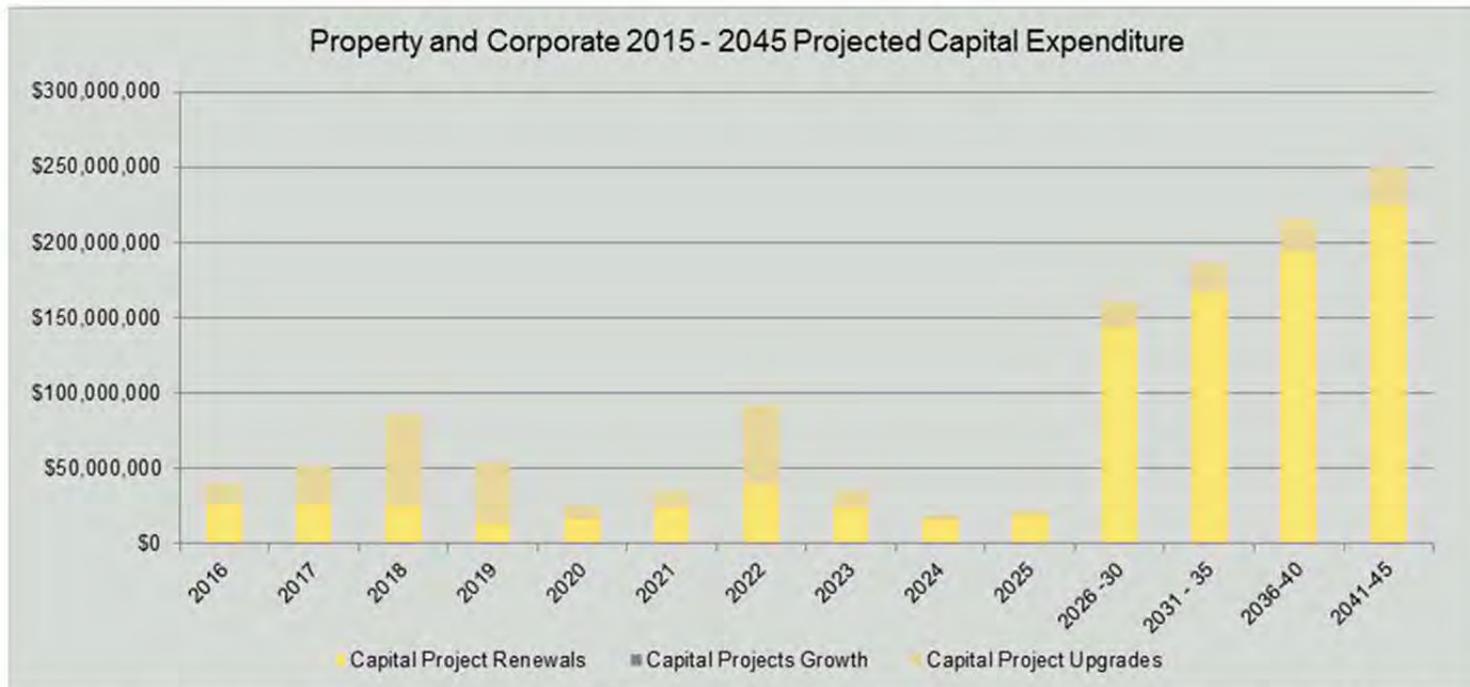
Scenario / service cost

Property and Corporate 2015 - 2045 financial plan

Description	2016	2017	2018	2019 - 2025	LTP TOTAL	2026-30	2031-35	2036-40	2041-45	30 Year Financials
Operating expenditure	777,348	2,924,037	3,683,303	12,312,635	19,697,323	8,761,552	10,157,040	11,774,793	13,650,213	64,040,921
Stewardship [depreciation]	2,873,601	3,635,182	5,947,658	101,532,606	113,989,047	89,881,780	104,197,617	120,793,596	139,560,588	568,422,628
Income										
Total Operating Projects	3,650,949	6,559,220	9,630,961	113,845,241	133,686,370	98,643,332	114,354,657	132,568,390	153,210,801	632,463,550
Capital Project Renewals	28,062,307	27,076,073	25,326,689	154,846,499	235,311,568	144,399,388	167,398,467	194,060,702	224,969,541	966,139,665
Capital Project Upgrades	12,157,616	24,538,599	60,612,121	131,607,988	228,916,324	16,353,759	18,958,488	21,978,084	25,478,623	311,685,278
Capital Projects Growth										
Total Capital Projects	40,219,923	51,614,672	85,938,810	286,454,487	464,227,892	160,753,146	186,356,955	216,038,786	250,448,164	1,277,824,944
Grand Total	43,870,871	58,173,892	95,569,771	400,299,728	597,914,262	259,396,478	300,711,612	348,607,176	403,658,965	1,910,288,493

The above table shows the projected operational and capital expenditure for the 30 years of property and corporate activity. This is followed by the projected expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Item 3.1 Attachment 1



The above shows the projected capital renewal, growth, and upgrade expenditure for the 30 years of property and corporate activity. This is followed by the projected capital expenditure in subsequent 5-year periods. This excludes capital upgrades for the remaining 20 years of the 30-year plan. The upgrades from years 11 to 30 are currently unplanned and unbudgeted.

Strategy development and review

The 30IS will be reviewed in each Long-term Plan triennium. Our 30IS will evolve and develop as our infrastructure management capability evolves. As the quality of our information and analytics improves the understanding of our assets, levels of service, and demand for those services, we will focus our infrastructure strategies, planning, and outcomes.

The horizon for our strategy will be held at a 30-year constant for each iteration; as the strategy develops, the legacy of changes will be quantified in the document. In theory, there should be continuity across 30IS development cycles and it should be possible to pick up our 30IS years later and see a clear and concise pathway of its progression. In practice, this would encompass:

- A review of any material changes in principle, direction and focus of the strategy.
- A synopsis of the drivers for those changes, both internal and external.

A structure highlighting the continuity of one iteration of the strategy to the next.

FUNDING IMPACT STATEMENT
FOR WHOLE OF COUNCIL

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	134,936	145,761	10,825		154,376	165,636	179,521	187,287	197,082	206,107	216,280	225,102	229,976
Targeted rates (other than a targeted rate for water supply)	106,451	111,642	5,191		115,499	121,868	129,191	134,524	140,949	145,429	149,314	157,855	163,428
Subsidies and grants for operating purposes	7,714	6,485	(1,229)		6,684	6,942	6,261	6,386	6,563	6,721	6,881	7,050	7,227
Fees, charges, and targeted rates for water supply ²	134,566	135,722	1,156		139,533	143,249	146,940	151,430	154,431	155,784	160,172	164,293	168,183
Interest and dividends from investments	11,044	11,013	(31)		11,013	11,113	10,513	11,513	14,222	17,571	17,515	20,060	21,307
Local authorities fuel tax, fines, infringement fees, and other receipts	9,541	9,255	(286)		9,517	9,679	9,827	9,980	10,149	10,336	10,533	10,741	10,984
Total operating funding (A)	404,252	419,878	15,626		436,622	458,487	482,253	501,120	523,396	541,948	560,695	585,101	601,105
Applications of operating funding													
Payments to staff and suppliers	269,637	280,484	10,847		285,730	289,293	302,434	312,699	321,050	332,205	342,673	353,308	365,235
Finance costs	23,041	22,961	(80)		26,498	32,365	36,868	38,926	40,453	43,602	47,956	53,549	55,946
Internal charges and overheads applied	-	-	-		-	-	-	-	-	-	-	-	-
Other operating funding applications	28,958	35,850	6,892		44,114	43,112	35,969	38,524	42,084	44,680	45,138	45,652	46,184
Total applications of operating funding (B)	321,636	339,295	17,659		356,342	364,770	375,271	390,149	403,587	420,487	435,767	452,509	467,365
Surplus (deficit) of operating funding (A - B)	82,616	80,583	(2,033)		80,280	93,717	106,982	110,971	119,809	121,461	124,928	132,592	133,740
Sources of capital funding													
Subsidies and grants for capital expenditure	43,375	36,026	(7,349)	1	35,376	21,637	15,186	12,885	13,768	14,154	14,459	14,723	15,600
Development and financial contributions	2,000	2,000	-		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Increase (decrease) in debt	48,402	41,399	(7,003)		75,701	78,186	53,454	12,872	14,843	81,554	30,240	16,899	26,544
Gross proceeds from sales of assets	4,050	2,650	(1,400)	2	7,600	18,350	9,500	2,000	2,000	2,000	2,000	2,000	2,000
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	97,827	82,075	(15,752)		120,677	120,173	80,140	29,757	32,611	99,708	48,699	35,622	46,144
Applications of capital funding													
Capital expenditure													
- to meet additional demand	2,558	2,597	39		1,909	8,126	2,867	6,363	4,506	9,700	7,298	9,086	3,052
- to improve the level of service	69,965	62,680	(7,285)		89,000	104,294	88,760	48,065	49,497	119,721	70,945	68,371	66,198
- to replace existing assets	79,480	93,169	13,689		81,613	93,876	90,721	83,046	96,143	90,146	94,261	90,092	110,407
Increase (decrease) in reserves	28,440	4,212	(24,228)		28,435	7,594	4,774	3,255	2,274	1,602	1,123	665	227
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	180,443	162,658	(17,785)		200,957	213,890	187,122	140,729	152,420	221,169	173,627	168,214	179,884
Surplus (deficit) of capital funding (C - D)	(82,616)	(80,583)	2,033		(80,280)	(93,717)	(106,982)	(110,971)	(119,809)	(121,461)	(124,928)	(132,592)	(133,740)
Funding balance ((A - B) + (C - D))	-	-	(0)		-								
Expenses for this activity grouping include the following													
depreciation/amortisation charge	102,165	99,797	1,027		102,250	108,742	114,681	116,963	124,694	128,634	131,158	139,648	143,188

¹ Included in this figure is the metered water rates (applicable to Funding Impact Statement for Water).

Notes:

1. Decrease in crown funding between 14/15 and 15/16 for the Housing upgrade project offset by an increase in NZTA funding between 14/15 and 15/16.

2. \$2m a year assumed for asset sales of surplus to requirement land, plus assumed Waterfront proceeds.

FUNDING IMPACT STATEMENT
1.1 FOR GOVERNANCE, INFORMATION AND ENGAGEMENT

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	14,214	16,587	2,373		17,417	17,175	18,153	19,299	19,236	19,802	20,686	20,232	20,929
Targeted rates (other than a targeted rate for water supply)	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply	565	508	(57)		889	528	539	945	562	575	1,012	603	619
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	14,779	17,095	2,316		18,306	17,703	18,692	20,244	19,798	20,377	21,698	20,835	21,548
Applications of operating funding													
Payments to staff and suppliers	7,820	9,713	1,893	1	10,758	10,100	10,435	11,548	10,857	11,263	12,492	11,813	12,199
Finance costs	15	16	1		18	21	26	28	30	32	35	41	43
Internal charges and overheads applied	6,570	7,308	738	2	7,481	7,517	8,167	8,613	8,846	9,031	9,122	8,933	9,258
Other operating funding applications	313	10	(303)		10	10	10	10	10	10	10	10	10
Total applications of operating funding (B)	14,718	17,047	2,329		18,267	17,648	18,638	20,199	19,743	20,336	21,659	20,797	21,510
Surplus (deficit) of operating funding (A - B)	61	48	(13)		39	55	54	45	55	41	39	38	38
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(61)	(48)	13		77	(55)	(54)	81	(55)	(41)	99	(38)	(38)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(61)	(48)	13		77	(55)	(54)	81	(55)	(41)	99	(38)	(38)
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-		-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-		116	-	-	126	-	-	138	-	-
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	-	-	-		116	-	-	126	-	-	138	-	-
Surplus (deficit) of capital funding (C - D)	(61)	(48)	13		(39)	(55)	(54)	(45)	(55)	(41)	(39)	(38)	(38)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following depreciation/amortisation charge	61	48	6		39	55	54	45	55	41	39	38	38

Notes:

- Costs associated with delivery of Governance, Information and Engagement activities have been reclassified out of corporate costs, to better represent total actual spend on these activities.
- Increased personnel costs draws a higher allocation of corporate overheads.
- Funding for the Smart Energy Capital initiative has been moved to Activity 2.2.

FUNDING IMPACT STATEMENT
1.2 FOR MAORI AND MANA WHENUA PARTNERSHIPS

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	225	281	56		288	296	304	312	321	330	340	352	365
Targeted rates (other than a targeted rate for water supply)	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply	-	-	-		-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	225	281	56		288	296	304	312	321	330	340	352	365
Applications of operating funding													
Payments to staff and suppliers	214	267	53		274	281	289	298	306	316	326	337	350
Finance costs	1	1	-		1	1	1	-	-	-	-	-	-
Internal charges and overheads applied	8	11	3		11	12	12	12	13	13	13	14	14
Other operating funding applications	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	223	279	56		286	294	302	310	319	329	339	351	364
Surplus (deficit) of operating funding (A - B)	2	2	-		2	2	2	2	2	1	1	1	1
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(2)	(2)	-		(2)	(2)	(2)	(2)	(2)	(1)	(1)	(1)	(1)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(2)	(2)	-		(2)	(2)	(2)	(2)	(2)	(1)	(1)	(1)	(1)
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-		-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	-	-	-		-								
Surplus (deficit) of capital funding (C - D)	(2)	(2)	-		(2)	(2)	(2)	(2)	(2)	(1)	(1)	(1)	(1)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following depreciation/amortisation charge	2	2	2		2	2	2	2	2	1	1	1	1

FUNDING IMPACT STATEMENT

2.1 FOR GARDENS, BEACHES AND GREEN OPEN SPACES

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	27,267	30,360	3,093		31,414	32,087	34,069	35,545	36,163	37,067	38,467	39,871	41,217
Targeted rates (other than a targeted rate for water supply)	632	-	(632)		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	671	699	28		731	764	800	820	843	868	889	910	933
Fees, charges, and targeted rates for water supply ¹	1,314	1,437	123		1,465	1,494	1,525	1,557	1,591	1,629	1,667	1,708	1,751
Internal charges and overheads recovered	5,101	5,111	10		5,203	5,311	5,418	5,536	5,658	5,791	5,934	6,088	6,251
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	34,985	37,607	2,622		38,813	39,656	41,812	43,458	44,255	45,355	46,957	48,577	50,152
Applications of operating funding													
Payments to staff and suppliers	17,767	19,285	1,518	1	20,088	20,249	21,168	22,022	22,348	23,086	23,770	24,439	25,270
Finance costs	1,834	1,993	159		2,250	2,716	3,248	3,536	3,767	3,974	4,307	5,008	5,272
Internal charges and overheads applied	11,520	12,281	761		12,438	12,635	13,335	13,740	14,015	14,192	14,620	14,871	15,195
Other operating funding applications	100	120	20		121	101	101	102	102	102	103	103	103
Total applications of operating funding (B)	31,221	33,679	2,458		34,897	35,701	37,852	39,400	40,232	41,354	42,800	44,421	45,840
Surplus (deficit) of operating funding (A - B)	3,764	3,928	164		3,916	3,955	3,960	4,058	4,023	4,001	4,157	4,156	4,312
Sources of capital funding													
Subsidies and grants for capital expenditure	620	650	30		-	50	600	150	507	507	507	507	507
Development and financial contributions	183	183	-		183	183	183	183	183	183	183	183	183
Increase (decrease) in debt	(1,562)	(2,129)	(567)		(1,432)	(315)	(1,606)	(1,898)	(1,180)	3,367	(1,963)	(1,795)	(679)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(759)	(1,296)	(537)		(1,249)	(82)	(823)	(1,565)	(490)	4,057	(1,273)	(1,105)	11
Applications of capital funding													
Capital expenditure													
- to meet additional demand	34	70	36		82	395	37	38	39	4,070	42	43	45
- to improve the level of service	1,180	1,121	(59)		878	1,082	1,238	482	1,026	1,156	962	995	1,031
- to replace existing assets	1,791	1,441	(350)	2	1,707	2,396	1,862	1,973	2,468	2,832	1,880	2,013	3,247
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	3,005	2,632	(373)		2,667	3,873	3,137	2,493	3,533	8,058	2,884	3,051	4,323
Surplus (deficit) of capital funding (C - D)	(3,764)	(3,928)	(164)		(3,916)	(3,955)	(3,960)	(4,058)	(4,023)	(4,001)	(4,157)	(4,156)	(4,312)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following depreciation/amortisation charge	4,042	3,928	(114)		3,916	3,955	3,960	4,058	4,023	4,001	4,157	4,156	4,312

Notes:

1. After an unsuccessful trial period, Council has agreed to not replace the current public rubbish bin system, which was expected to provide savings of \$500k per annum. Grant funding included for the redevelopment of the Lyall Bay Surf Club which will be funded by use of prior year services, as it was rates funded in 2014/15 \$350k. Costs associated with maintaining public spaces on the waterfront have been moved from Activity 6 from in the 2014/15 Annual Plan. Increased funding included for the maintenance of Pukeahu National War Memorial \$100k.

2. Increased personnel costs draws a higher allocation of corporate overheads

3. Reduced budget in 2015/16 due to the completion in 2014/15 of renovations to the caretaker's house at Otari-Wilton's Bush, and refurbishment of the bathhouse at Greta Point.

FUNDING IMPACT STATEMENT
2.2 FOR WASTE REDUCTION AND ENERGY CONSERVATION

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	404	764	360		729	499	564	626	658	1,324	974	1,091	1,098
Targeted rates (other than a targeted rate for water supply)	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply ¹	12,926	12,876	(50)		13,353	13,599	13,767	14,040	14,405	14,320	15,009	15,366	15,833
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	13,330	13,640	310		14,082	14,098	14,331	14,666	15,063	15,644	15,983	16,457	16,931
Applications of operating funding													
Payments to staff and suppliers	11,873	12,126	253	1	12,552	12,814	13,158	13,528	13,910	14,408	14,803	15,311	15,847
Finance costs	1,005	877	(128)		774	663	468	442	416	495	482	474	419
Internal charges and overheads applied	(112)	56	168		42	25	107	128	146	134	109	75	62
Other operating funding applications	5	255	250	2	255	105	105	105	105	105	105	105	105
Total applications of operating funding (B)	12,771	13,314	543		13,623	13,607	13,838	14,203	14,577	15,142	15,499	15,965	16,433
Surplus (deficit) of operating funding (A - B)	559	326	(233)		459	491	493	463	486	502	484	492	498
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	217	912	695		773	5,391	7,837	508	444	140	178	193	211
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	217	912	695		773	5,391	7,837	508	444	140	178	193	211
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	67	-	(67)		-	-	-	-	-	-	-	-	-
- to replace existing assets	709	1,238	529	3	1,232	5,882	8,330	971	930	642	662	685	709
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	776	1,238	462		1,232	5,882	8,330	971	930	642	662	685	709
Surplus (deficit) of capital funding (C - D)	(559)	(326)	233		(459)	(491)	(493)	(463)	(486)	(502)	(484)	(492)	(498)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following depreciation/amortisation charge	435	326	(383)		459	491	493	463	486	502	484	492	498

Notes:

1. Costs have increased within this activity as a result of inflationary and other contractual pressures.

2. Funding for the Smart Energy Capital Initiative has moved to this activity from Activity 1.1 to 2.2, and has been extended past the original 3-year funding period.

3. Budget increase due to scheduled maintenance.

FUNDING IMPACT STATEMENT
2.3 FOR WATER

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	-	-	-		-	-	-	-	-	-	-	-	-
Targeted rates (other than a targeted rate for water supply)	25,408	24,787	(621)	1	25,880	27,515	29,176	30,847	33,522	35,065	36,015	38,364	39,549
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply ¹	13,912	13,539	(373)		14,087	15,014	15,944	16,857	18,317	19,158	19,678	20,959	21,608
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	39,320	38,326	(994)		39,967	42,529	45,120	47,704	51,839	54,223	55,693	59,323	61,157
Applications of operating funding													
Payments to staff and suppliers	21,547	22,501	954	2	23,971	25,234	27,364	29,729	32,580	34,843	36,086	37,799	39,546
Finance costs	2,104	2,100	(4)		2,310	2,712	3,153	3,329	3,434	3,501	3,654	4,084	4,119
Internal charges and overheads applied	1,522	1,443	(79)		1,386	1,406	1,478	1,513	1,550	1,584	1,615	1,651	1,695
Other operating funding applications	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	25,173	26,044	871		27,667	29,352	31,995	34,571	37,564	39,928	41,355	43,534	45,360
Surplus (deficit) of operating funding (A - B)	14,147	12,282	(1,865)		12,300	13,177	13,125	13,133	14,275	14,295	14,338	15,789	15,797
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	671	671	-		671	671	671	671	671	671	671	671	671
Increase (decrease) in debt	(2,523)	3,999	6,522		1,964	1,562	6,523	7,578	4,583	8,585	11,438	3,559	6,422
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(1,852)	4,670	6,522		2,635	2,233	7,194	8,249	5,254	9,256	12,109	4,230	7,093
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	358	563	205		538	639	494	654	620	724	748	636	656
- to improve the level of service	2,833	3,038	205		4,206	5,187	7,271	7,497	7,083	10,835	11,297	6,316	6,527
- to replace existing assets	9,104	13,351	4,247	3	10,191	9,584	12,554	13,231	11,826	11,992	14,402	13,067	15,707
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	12,295	16,952	4,657		14,935	15,410	20,319	21,382	19,529	23,551	26,447	20,019	22,890
Surplus (deficit) of capital funding (C - D)	(14,147)	(12,282)	1,865		(12,300)	(13,177)	(13,125)	(13,133)	(14,275)	(14,295)	(14,338)	(15,789)	(15,797)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following													
depreciation/amortisation charge	14,739	12,282	(69)		12,300	13,177	13,125	13,133	14,275	14,295	14,338	15,789	15,797

¹ Included in this figure is the metered water rates (applicable to Funding Impact Statement for Water).

Notes:

- Water network costs have reduced resulting in less recovered from water rates.
- Greater Wellington Regional Council bulk water charges have increased 5% from last years budget.
- The variance is a result of the availability and use of improved asset information and asset management systems, these systems have resulted in better informed renewals spend.

FUNDING IMPACT STATEMENT
2.4 FOR WASTEWATER

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	-	-	-		-	-	-	-	-	-	-	-	-
Targeted rates (other than a targeted rate for water supply)	36,257	37,425	1,168		38,694	40,857	42,576	44,273	46,693	48,297	50,075	53,404	55,250
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply ¹	1,227	1,233	6		1,256	1,281	1,308	1,335	1,364	1,396	1,430	1,464	1,501
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	37,484	38,658	1,174		39,950	42,138	43,884	45,608	48,057	49,693	51,505	54,868	56,751
Applications of operating funding													
Payments to staff and suppliers	21,070	21,117	47		22,158	23,178	24,322	25,674	26,941	28,403	29,911	31,537	33,211
Finance costs	3,577	3,741	164		4,033	4,372	4,756	4,993	5,076	5,128	5,324	5,740	5,782
Internal charges and overheads applied	3,541	3,525	(16)		3,473	3,533	3,694	3,788	3,885	3,982	4,074	4,178	4,299
Other operating funding applications	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	28,188	28,383	195		29,664	31,083	32,772	34,455	35,902	37,513	39,309	41,455	43,292
Surplus (deficit) of operating funding (A - B)	9,296	10,275	979		10,286	11,055	11,112	11,153	12,155	12,180	12,196	13,413	13,459
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	549	549	-		549	549	549	549	549	549	549	549	549
Increase (decrease) in debt	(2,100)	(343)	1,757		491	1,715	137	1,939	(2,015)	(2,243)	(838)	116	11,596
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(1,551)	206	1,757		1,040	2,264	686	2,488	(1,466)	(1,694)	(289)	665	12,145
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	172	223	51		230	319	315	364	314	320	353	395	530
- to improve the level of service	-	-	-		316	1,620	1,744	1,794	152	157	162	167	173
- to replace existing assets	7,573	10,258	2,685	1	10,780	11,380	9,739	11,483	10,223	10,009	11,392	13,516	24,901
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	7,745	10,481	2,736		11,326	13,319	11,798	13,641	10,689	10,486	11,907	14,078	25,604
Surplus (deficit) of capital funding (C - D)	(9,296)	(10,275)	(979)		(10,286)	(11,055)	(11,112)	(11,153)	(12,155)	(12,180)	(12,196)	(13,413)	(13,459)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following													
depreciation/amortisation charge	13,416	13,428	(740)		13,439	14,439	14,496	14,537	15,817	15,818	15,830	17,395	17,441

¹ Included in this figure is the metered water rates (applicable to Funding Impact Statement for Water).

Notes:

1. The variance is a result of the availability and use of improved asset information and asset management systems, these systems have resulted in better informed renewals spend.

FUNDING IMPACT STATEMENT
2.5 FOR STORMWATER

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	-	-	-		-	-	-	-	-	-	-	-	-
Targeted rates (other than a targeted rate for water supply)	18,648	17,442	(1,206)		17,902	18,953	19,922	20,581	21,655	22,356	22,883	24,817	25,475
Subsidies and grants for operating purposes	120	136	16		142	148	154	157	160	164	168	172	177
Fees, charges, and targeted rates for water supply ¹	9	10	1		10	10	10	10	11	11	11	11	12
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	18,777	17,588	(1,189)		18,054	19,111	20,086	20,748	21,826	22,531	23,062	25,000	25,664
Applications of operating funding													
Payments to staff and suppliers	7,432	7,131	(301)	1	7,303	7,260	7,382	7,629	7,828	8,243	8,329	8,614	8,921
Finance costs	2,875	2,904	29		3,268	3,929	4,684	5,078	5,386	5,654	6,089	7,033	7,347
Internal charges and overheads applied	1,473	1,501	28		1,452	1,470	1,554	1,591	1,629	1,662	1,691	1,723	1,765
Other operating funding applications	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	11,780	11,536	(244)		12,023	12,659	13,620	14,298	14,843	15,559	16,109	17,370	18,033
Surplus (deficit) of operating funding (A - B)	6,997	6,052	(945)		6,031	6,452	6,466	6,450	6,983	6,972	6,953	7,630	7,631
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	58	58	-		58	58	58	58	58	58	58	58	58
Increase (decrease) in debt	(2,801)	(1,654)	1,147		931	1,142	(2,455)	(1,265)	(1,473)	(2,360)	51	(216)	(1,425)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(2,743)	(1,596)	1,147		989	1,200	(2,397)	(1,207)	(1,415)	(2,302)	109	(158)	(1,367)
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	106	161	55		237	243	157	178	194	190	221	230	227
- to improve the level of service	451	1,501	1,050	2	4,550	4,660	2,265	2,461	2,786	2,658	2,847	2,956	3,351
- to replace existing assets	3,697	2,794	(903)	3	2,233	2,749	1,647	2,604	2,588	1,822	3,994	4,286	2,686
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	4,254	4,456	202		7,020	7,652	4,069	5,243	5,568	4,670	7,062	7,472	6,264
Surplus (deficit) of capital funding (C - D)	(6,997)	(6,052)	945		(6,031)	(6,452)	(6,466)	(6,450)	(6,983)	(6,972)	(6,953)	(7,630)	(7,631)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following													
depreciation/amortisation charge	6,997	6,052	(9)		6,031	6,452	6,466	6,450	6,983	6,972	6,953	7,630	7,631

¹ Included in this figure is the metered water rates (applicable to Funding Impact Statement for Water).

Notes:

1. Decrease due to lower insurance premiums.
2. Planned stormwater upgrade programme brought forward in plan to better reflect the stormwater needs of the community.
3. The variance is a result of the availability and use of improved asset information and asset management systems, these systems have resulted in better informed renewals spend.

FUNDING IMPACT STATEMENT
2.6 FOR CONSERVATION ATTRACTIONS

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	6,126	6,459	333		6,625	6,899	7,995	8,098	8,160	8,232	8,230	8,277	8,310
Targeted rates (other than a targeted rate for water supply)	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply	-	-	-		-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	6,126	6,459	333		6,625	6,899	7,995	8,098	8,160	8,232	8,230	8,277	8,310
Applications of operating funding													
Payments to staff and suppliers	138	214	76		219	225	230	236	241	248	257	264	272
Finance costs	755	748	(7)		804	1,000	1,155	1,174	1,141	1,102	1,092	1,074	1,026
Internal charges and overheads applied	264	286	22		288	289	290	292	293	294	293	292	293
Other operating funding applications	3,632	3,689	57		3,759	9,832	3,914	4,001	4,091	4,195	4,302	4,423	4,549
Total applications of operating funding (B)	4,789	4,937	148		5,070	11,346	5,589	5,703	5,766	5,839	5,944	6,053	6,140
Surplus (deficit) of operating funding (A - B)	1,337	1,522	185		1,555	(4,447)	2,406	2,395	2,394	2,393	2,286	2,224	2,170
Sources of capital funding													
Subsidies and grants for capital expenditure	129	126	(3)		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(672)	(332)	340		(738)	5,290	(1,552)	(1,507)	(1,472)	(1,453)	(1,316)	(1,222)	(1,133)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(543)	(206)	337		(738)	5,290	(1,552)	(1,507)	(1,472)	(1,453)	(1,316)	(1,222)	(1,133)
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	516	516	-		-	-	-	-	-	-	-	-	-
- to replace existing assets	278	800	522	1	817	843	854	888	922	940	970	1,002	1,037
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	794	1,316	522		817	843	854	888	922	940	970	1,002	1,037
Surplus (deficit) of capital funding (C - D)	(1,337)	(1,522)	(185)		(1,555)	4,447	(2,406)	(2,395)	(2,394)	(2,393)	(2,286)	(2,224)	(2,170)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following depreciation/amortisation charge													
	1,337	1,522	206		1,555	1,553	1,523	1,512	1,511	1,510	1,403	1,341	1,287

Notes:

1. Additional funds have been approved to complete the 'Meet the Locals' project as part of the ongoing Wellington Zoo renewals programme.

FUNDING IMPACT STATEMENT
3.1 FOR CITY PROMOTIONS AND BUSINESS SUPPORT

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	5,207	4,530	(677)		5,024	7,868	11,020	13,378	15,640	19,607	22,904	23,811	24,335
Targeted rates (other than a targeted rate for water supply)	15,012	15,306	294	1	15,252	16,195	17,906	17,913	17,563	17,789	18,056	18,374	19,448
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply	14,035	14,365	330		14,638	14,925	15,241	15,557	16,611	18,333	18,765	19,212	19,690
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	34,254	34,201	(53)		34,914	38,988	44,167	46,848	49,814	55,729	59,725	61,397	63,473
Applications of operating funding													
Payments to staff and suppliers	26,079	21,483	(4,596)	2	21,861	24,140	27,461	27,975	28,355	29,810	30,682	31,336	33,237
Finance costs	710	736	26		791	856	931	977	1,343	3,445	5,806	6,294	6,216
Internal charges and overheads applied	1,848	939	(909)		949	955	1,036	1,071	1,099	1,117	1,124	1,374	1,401
Other operating funding applications	7,553	12,248	4,695		17,048	12,298	12,548	14,715	16,882	19,048	19,048	19,048	19,048
Total applications of operating funding (B)	36,190	35,406	(784)		40,649	38,249	41,976	44,738	47,679	53,420	56,660	58,052	59,902
Surplus (deficit) of operating funding (A - B)	(1,936)	(1,205)	731		(5,735)	739	2,191	2,110	2,135	2,309	3,065	3,345	3,571
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	3,277	3,420	143		7,477	614	(1,730)	(300)	8,100	47,499	7,759	(2,564)	(1,468)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	3,277	3,420	143		7,477	614	(1,730)	(300)	8,100	47,499	7,759	(2,564)	(1,468)
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-		-	-	-	-	8,330	47,702	8,877	-	-
- to replace existing assets	1,341	2,215	874	3	1,742	1,353	461	1,810	1,905	2,106	1,947	781	2,103
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	1,341	2,215	874		1,742	1,353	461	1,810	10,235	49,808	10,824	781	2,103
Surplus (deficit) of capital funding (C - D)	1,936	1,205	(731)		5,735	(739)	(2,191)	(2,110)	(2,135)	(2,309)	(3,065)	(3,345)	(3,571)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following													
depreciation/amortisation charge	1,618	1,795	(746)		1,840	1,814	1,766	1,685	1,710	1,884	2,640	2,920	3,146

Notes:

1. An increase in Wellington Venues revenue up from 2014/15.
2. Due to the creation of the Wellington Regional Economic Development Agency expenditure has been reclassified into 'Other operating funding applications' line \$3m. Additional funding has been added to the Events Fund for events such as the Festival of the Arts and Christmas celebrations.
3. Funding for upgrade of the St James Theatre air conditioning system has been included in Year 1 of the Long-term Plan.

FUNDING IMPACT STATEMENT
4.1 FOR ARTS AND CULTURE ACTIVITIES

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	11,947	13,008	1,061		13,325	13,769	13,788	13,665	13,874	14,145	14,426	14,708	15,066
Targeted rates (other than a targeted rate for water supply)	5,243	5,148	(95)		5,335	5,474	5,827	5,759	5,793	5,885	5,973	6,068	6,175
Subsidies and grants for operating purposes	430	410	(20)		417	426	435	444	453	464	475	487	499
Fees, charges, and targeted rates for water supply	583	577	(6)		588	600	613	625	639	654	670	686	703
Internal charges and overheads recovered	72	-	(72)		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	18,275	19,143	868		19,665	20,269	20,663	20,493	20,759	21,148	21,544	21,949	22,443
Applications of operating funding													
Payments to staff and suppliers	3,510	4,072	562	1	4,162	4,269	4,329	3,889	3,996	4,115	4,242	4,380	4,526
Finance costs	211	276	65		289	574	860	883	864	844	850	834	811
Internal charges and overheads applied	1,049	1,024	(25)		1,057	1,075	1,161	1,215	1,252	1,277	1,281	1,273	1,314
Other operating funding applications	12,680	13,101	421	2	13,440	13,627	13,598	13,818	14,045	14,305	14,571	14,871	15,185
Total applications of operating funding (B)	17,450	18,473	1,023		18,948	19,545	19,948	19,805	20,157	20,541	20,944	21,358	21,836
Surplus (deficit) of operating funding (A - B)	825	670	(155)		717	724	715	688	602	607	600	591	607
Sources of capital funding													
Subsidies and grants for capital expenditure	-	1,914	1,914		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(798)	(363)	435		(690)	9,311	(564)	(659)	(572)	(576)	(568)	(557)	(572)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(798)	1,551	2,349		(690)	9,311	(564)	(659)	(572)	(576)	(568)	(557)	(572)
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	26	2,119	2,093	3	25	10,024	128	24	24	24	24	25	26
- to replace existing assets	1	102	101		2	11	23	5	6	7	8	9	9
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	27	2,221	2,194		27	10,035	151	29	30	31	32	34	35
Surplus (deficit) of capital funding (C - D)	(825)	(670)	155		(717)	(724)	(715)	(688)	(602)	(607)	(600)	(591)	(607)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following depreciation/amortisation charge	825	670	20		717	724	715	688	602	607	600	591	607

¹ Included in this figure is the metered water rates (applicable to Funding Impact Statement for Water).

Notes:

1. Grant for \$500k per year for 4 years to fund an exhibition to commemorate the 100th anniversary of each year of World War I at the Museum of Conflict.

2. Inflation adjustments plus grant funding increases to Orchestra Wellington \$80k per year for the first three years of the plan, an additional \$100k per year to the Royal New Zealand Ballet for the next ten years, and an extra \$100k to support local arts projects through the Council's Arts and Culture Fund.

3. Funding for the upgrade of the Museum of Wellington City and Sea \$2m.

FUNDING IMPACT STATEMENT
5.1 FOR RECREATION PROMOTION AND SUPPORT

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	24,001	25,083	1,082		25,575	25,655	26,566	26,764	27,516	28,189	28,191	28,478	29,191
Targeted rates (other than a targeted rate for water supply)	1,039	1,088	49		1,214	1,341	1,498	1,871	1,916	2,034	2,067	2,112	2,255
Subsidies and grants for operating purposes	398	200	(198)		204	208	212	217	221	227	232	238	244
Fees, charges, and targeted rates for water supply	11,483	11,547	64		11,847	12,002	12,352	12,669	12,579	13,024	13,400	13,831	14,248
Internal charges and overheads recovered	1,051	1,116	65		1,136	1,160	1,183	1,209	1,236	1,265	1,296	1,329	1,365
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	37,972	39,034	1,062		39,976	40,366	41,811	42,730	43,468	44,739	45,186	45,988	47,303
Applications of operating funding													
Payments to staff and suppliers	16,950	17,953	1,003	1	18,456	19,047	19,498	19,890	20,620	21,487	21,824	22,448	23,023
Finance costs	3,725	3,615	(110)		3,795	3,814	3,792	3,853	3,732	3,614	3,616	3,604	3,497
Internal charges and overheads applied	9,411	9,214	(197)		9,293	9,478	10,398	10,596	10,795	10,918	11,183	11,368	11,602
Other operating funding applications	650	663	13		678	694	712	731	751	774	797	824	851
Total applications of operating funding (B)	30,736	31,445	709		32,222	33,033	34,400	35,070	35,898	36,793	37,420	38,244	38,973
Surplus (deficit) of operating funding (A - B)	7,236	7,589	353		7,754	7,333	7,411	7,660	7,570	7,946	7,766	7,744	8,330
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(4,215)	736	4,951		(340)	(1,644)	6,340	(3,989)	(2,437)	(1,957)	(3,606)	(4,271)	(4,373)
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(4,215)	736	4,951		(340)	(1,644)	6,340	(3,989)	(2,437)	(1,957)	(3,606)	(4,271)	(4,373)
Applications of capital funding													
Capital expenditure													
- to meet additional demand	123	-	(123)		-	-	-	-	-	-	-	-	-
- to improve the level of service	334	1,476	1,142	2	1,651	1,335	5,627	91	93	96	99	103	107
- to replace existing assets	2,564	6,849	4,285	3	5,763	4,354	8,124	3,580	5,040	5,883	4,061	3,370	3,850
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	3,021	8,325	5,304		7,414	5,689	13,751	3,671	5,133	5,989	4,160	3,473	3,957
Surplus (deficit) of capital funding (C - D)	(7,236)	(7,589)	(353)		(7,754)	(7,333)	(7,411)	(7,660)	(7,570)	(7,946)	(7,766)	(7,744)	(8,330)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following													
depreciation/amortisation charge	7,324	7,589	(31)		7,754	7,333	7,411	7,660	7,570	7,946	7,766	7,744	8,330

Notes:

- Variance due to inflationary uplift on 2014/15 Annual Plan, plus operational funding for Keith Spry Pool reopening on completion of refurbishment.
- Funding approved for upgrades to the Wellington Regional Aquatic Centre \$627k, a commitment to contribute to the construction of an artificial turf at Karori Park \$350k, plus planning funding for a third synthetic pitch at the National Hockey Stadium \$210k (construction to begin in Year 2 of the 2015-25 Long-term Plan).
- Funding for the refurbishment at the Basin Reserve of the RA Vance Stand \$2m, plus associated Western Precinct development \$1.1m, both scheduled for Year 1 of the 2015-25 Long-term Plan. Also included is planned renewal maintenance of \$450k to the pier at the Evans Bay Marina, and \$350k of additional planned maintenance over 2014/15 Annual Plan budget levels.

FUNDING IMPACT STATEMENT
5.2 FOR COMMUNITY SUPPORT

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	21,755	22,792	1,037		24,366	26,687	28,199	28,317	29,284	30,163	31,360	31,754	30,406
Targeted rates (other than a targeted rate for water supply)	4,179	4,250	71		4,519	4,606	4,796	5,099	5,331	5,361	5,457	5,661	5,860
Subsidies and grants for operating purposes	1,296	969	(327)		934	937	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply	22,057	22,869	812	1	23,557	25,428	25,932	26,882	26,976	25,413	26,013	26,641	27,302
Internal charges and overheads recovered	1,287	1,171	(116)		820	600	496	496	579	1,149	1,166	1,181	1,207
Local authorities fuel tax, fines, infringement fees, and other receipts	659	586	(73)		551	526	503	483	465	450	436	425	435
Total operating funding (A)	51,233	52,637	1,404		54,747	58,784	59,926	61,277	62,635	62,536	64,432	65,662	65,210
Applications of operating funding													
Payments to staff and suppliers	26,166	26,470	304	2	26,304	26,934	27,356	28,101	28,961	30,350	31,203	32,502	33,427
Finance costs	(725)	(1,632)	(907)	3	(1,561)	(1,083)	(1,133)	(1,458)	(1,807)	(2,074)	(2,299)	(1,608)	(1,102)
Internal charges and overheads applied	10,410	11,542	1,132		11,968	12,392	13,175	13,840	14,268	14,583	14,542	13,748	14,094
Other operating funding applications	3,160	4,084	924	4	4,376	4,766	4,151	4,210	4,263	4,304	4,363	4,425	4,488
Total applications of operating funding (B)	39,011	40,464	1,453		41,067	42,989	43,749	44,693	45,685	47,163	47,809	49,067	51,907
Surplus (deficit) of operating funding (A - B)	12,222	12,173	(49)		13,680	15,795	16,177	16,584	16,950	15,373	16,623	16,595	13,303
Sources of capital funding													
Subsidies and grants for capital expenditure	32,036	20,668	(11,368)		17,777	200	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(5,059)	(3,771)	1,288		18,933	5,025	(2,003)	(7,637)	(8,681)	(4,016)	(6,730)	14,501	22,636
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	26,977	16,897	(10,080)		36,708	5,225	(2,003)	(7,637)	(8,681)	(4,016)	(6,730)	14,501	22,636
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		822	1,270	-	-	-	-	-	-	-
- to improve the level of service	32,284	26,139	(6,145)	5	25,050	9,802	4,738	1,996	1,340	2,635	4,389	25,204	29,793
- to replace existing assets	6,915	8,763	1,848	6	6,719	9,348	9,436	6,951	6,929	8,742	5,704	5,892	6,146
Increase (decrease) in reserves	-	(5,832)	(5,832)		17,777	200	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	39,199	29,070	(10,129)		56,368	21,020	14,174	8,947	8,269	11,357	9,893	31,096	35,939
Surplus (deficit) of capital funding (C - D)	(12,222)	(12,173)	49		(13,660)	(15,795)	(16,177)	(16,584)	(16,950)	(15,373)	(16,623)	(16,595)	(13,303)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following													
depreciation/amortisation charge	15,730	15,318	2,556		16,409	17,594	19,218	18,489	18,786	19,827	20,300	21,332	21,098

Notes:

- Increase in budgeted revenue due to change in City Housing Income assumption after revision of rental income model.
- Cost increases due to inflationary pressures.
- Rephasing of capital expenditure projects out of Year 1 of the 2015-25 Long-term Plan has reduced the interest cost.
- Social and Recreation grants have increased over 2014/15 Annual Plan - additional funding for planning for the Alex Moore Park "Sportsville" concept \$120k plus additional funding for other community projects; homelessness \$60k, community centres \$100k.
- Funding for City Housing projects has been rephased as the housing upgrade programme progresses.
- City Housing projects rephased into years 1 & 2 of 2015-25 Long-term Plan. Library computer system renewal project scheduled for Year 1 2015-25 Long-term Plan \$2.6m, offset by City Housing renewal savings of \$700k.

FUNDING IMPACT STATEMENT
5.3 FOR PUBLIC HEALTH AND SAFETY

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	8,266	9,540	1,274		9,674	10,045	10,697	11,201	11,506	11,742	12,201	12,484	13,032
Targeted rates (other than a targeted rate for water supply)	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	25	25	-		25	26	27	27	28	28	29	30	30
Fees, charges, and targeted rates for water supply	3,962	3,993	31		4,109	4,189	4,236	4,324	4,404	4,507	4,615	4,726	4,845
Internal charges and overheads recovered	676	664	(12)		676	690	704	719	735	753	771	791	812
Local authorities fuel tax, fines, infringement fees, and other receipts	52	39	(13)		39	40	41	42	43	44	45	46	47
Total operating funding (A)	12,981	14,261	1,280		14,523	14,990	15,705	16,313	16,716	17,074	17,661	18,077	18,766
Applications of operating funding													
Payments to staff and suppliers	8,284	9,012	728	1	9,098	9,438	9,651	10,030	10,265	10,467	10,804	11,150	11,571
Finance costs	76	91	15		100	118	138	147	152	156	166	188	193
Internal charges and overheads applied	3,980	4,386	406	2	4,479	4,528	4,882	5,049	5,178	5,240	5,371	5,414	5,564
Other operating funding applications	129	129	-		130	131	131	132	133	134	135	137	138
Total applications of operating funding (B)	12,469	13,618	1,149		13,807	14,215	14,802	15,358	15,728	15,997	16,476	16,889	17,466
Surplus (deficit) of operating funding (A - B)	512	643	131		716	775	903	955	988	1,077	1,185	1,188	1,300
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	798	1,028	230		964	1,346	495	701	750	1,974	(12)	116	212
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	798	1,028	230		964	1,346	495	701	750	1,974	(12)	116	212
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	206	110	(96)		489	253	47	175	158	893	262	271	281
- to replace existing assets	1,104	1,561	457	3	1,191	1,868	1,351	1,481	1,580	2,158	911	1,033	1,231
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	1,310	1,671	361		1,680	2,121	1,398	1,656	1,738	3,051	1,173	1,304	1,512
Surplus (deficit) of capital funding (C - D)	(512)	(643)	(131)		(716)	(775)	(903)	(955)	(988)	(1,077)	(1,185)	(1,188)	(1,300)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following													
depreciation/amortisation charge	527	643	(153)		716	775	903	955	988	1,077	1,185	1,188	1,300

Notes:

1. Additional funding over 2014/15 Annual Plan required to counter inflationary pressures on staff costs, plus additional funding for Safe City programme.
2. Increased personnel costs draws a higher allocation of corporate overheads.
3. Planned renewals funding for a new cremator to replace the existing plant at Karori Cemetery.

FUNDING IMPACT STATEMENT
6.1 FOR URBAN PLANNING, HERITAGE AND PUBLIC SPACES DEVELOPMENT

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	7,098	6,896	(202)		7,343	6,937	6,584	6,478	6,580	6,717	6,833	6,959	7,141
Targeted rates (other than a targeted rate for water supply)	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply	3,922	20	(3,902)	1	20	21	21	22	22	23	23	24	24
Internal charges and overheads recovered	310	-	(310)		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	11,330	6,916	(4,414)		7,363	6,958	6,605	6,500	6,602	6,740	6,856	6,983	7,165
Applications of operating funding													
Payments to staff and suppliers	7,775	2,857	(4,918)	2	2,639	2,438	2,499	2,289	2,292	2,356	2,425	2,501	2,582
Finance costs	573	15	(558)		17	20	24	26	28	30	33	38	40
Internal charges and overheads applied	3,040	3,233	193		3,396	3,439	3,621	3,725	3,822	3,897	3,948	3,994	4,093
Other operating funding applications	490	800	310	3	1,300	1,050	450	450	450	450	450	450	450
Total applications of operating funding (B)	11,878	6,905	(4,973)		7,352	6,947	6,594	6,490	6,592	6,733	6,856	6,983	7,165
Surplus (deficit) of operating funding (A - B)	(548)	11	559		11	11	11	10	10	7	-	-	-
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	3,194	7,607	4,413		6,949	1,850	16,272	13,209	14,984	33,872	24,355	13,774	1,427
Gross proceeds from sales of assets	2,050	650	(1,400)		2,600	3,250	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	5,244	8,257	3,013		9,549	5,100	16,272	13,209	14,984	33,872	24,355	13,774	1,427
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	1,429	5,702	4,273	4	8,581	3,424	15,932	12,360	11,674	33,673	23,821	13,491	1,128
- to replace existing assets	3,267	2,566	(701)		979	1,687	351	859	3,320	206	534	283	299
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	4,696	8,268	3,572		9,560	5,111	16,283	13,219	14,994	33,879	24,355	13,774	1,427
Surplus (deficit) of capital funding (C - D)	548	(11)	(559)		(11)	(11)	(11)	(10)	(10)	(7)	-	-	-
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following depreciation/amortisation charge	4,305	11	4,304		11	11	11	10	10	7	-	-	-

Notes:

- Income reduced after Waterfront parking services project moved to Activity 7.2 - Parking Services \$1.25m, Waterfront commercial property services has moved to Activity 10.1.
- Waterfront Property Services costs have been moved into Activity 10.1 with other Council property management services.
- Additional grant funding for Built Heritage Incentive Fund has been added to the first three years of the 2015-25 Long-term Plan Year 1 \$560k and \$600k for Years 2 and 3.
- Funding for developing Frank Kitts Park and the Chinese Garden have been moved into Activity 6.1 from Activity 10.1.

FUNDING IMPACT STATEMENT
6.2 FOR BUILDING AND DEVELOPMENT CONTROL

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	7,319	9,449	2,130		9,538	9,893	10,736	11,139	11,340	11,566	11,621	11,604	12,011
Targeted rates (other than a targeted rate for water supply)	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply	12,655	12,027	(628)	1	12,159	11,908	12,160	12,412	12,687	12,985	13,294	13,615	13,959
Internal charges and overheads recovered	224	224	-		228	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	20,222	21,724	1,502		21,949	21,826	22,921	23,577	24,054	24,578	24,943	25,248	25,999
Applications of operating funding													
Payments to staff and suppliers	12,991	12,655	(336)	2	12,700	12,538	12,808	13,100	13,292	13,625	13,979	14,363	14,771
Finance costs	-	3	3		3	2	1	-	-	-	-	-	-
Internal charges and overheads applied	6,971	8,761	1,790	3	8,939	8,979	9,820	10,295	10,616	10,811	10,821	10,740	11,082
Other operating funding applications	135	135	-		136	137	138	139	141	142	143	145	146
Total applications of operating funding (B)	20,097	21,554	1,457		21,778	21,656	22,767	23,534	24,049	24,578	24,943	25,248	25,999
Surplus (deficit) of operating funding (A - B)	125	170	45		171	170	154	43	5	-	-	-	-
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	17,526	5,770	(11,756)		6,331	25,938	24,429	5,125	273	304	294	284	254
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	17,526	5,770	(11,756)		6,331	25,938	24,429	5,125	273	304	294	284	254
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	17,651	5,940	(11,711)	4	6,502	26,108	24,583	5,168	278	304	294	284	254
- to replace existing assets	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	17,651	5,940	(11,711)		6,502	26,108	24,583	5,168	278	304	294	284	254
Surplus (deficit) of capital funding (C - D)	(125)	(170)	(45)		(171)	(170)	(154)	(43)	(5)	-	-	-	-
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following depreciation/amortisation charge	125	170	101		171	170	154	43	5	-	-	-	-

Notes:

1. Building Compliance and Consents income from providing consent and compliance services to Christchurch City Council reforecast down from previously projected levels.
2. Budgeted expenditure on external contractors has been reduced from the 2014/15 Annual Plan.
3. Increase in information technology costs over 2014/15 Annual Plan as a result of improved asset information tracking \$950k plus other increases in operational overheads.
4. After a Council review earthquake strengthening projects have been merged into a wider programme of renewal and upgrade of the Civic Precinct. Town Hall earthquake strengthening project has been forecast to recommence in 2016/17 and be completed by 2019/20.

FUNDING IMPACT STATEMENT
7.1 FOR TRANSPORT

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	29,503	26,485	(3,018)		26,825	30,122	31,175	32,446	36,194	37,597	39,380	45,395	46,898
Targeted rates (other than a targeted rate for water supply)	33	6,196	6,163		6,703	6,927	7,490	8,181	8,476	8,642	8,788	9,055	9,416
Subsidies and grants for operating purposes	4,774	4,046	(728)	1	4,231	4,433	4,633	4,721	4,858	4,970	5,088	5,213	5,344
Fees, charges, and targeted rates for water supply	2,100	2,042	(58)		2,080	2,121	2,166	2,211	2,260	2,313	2,368	2,425	2,487
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-		-	-	-	-	-	-	-	-	-
Total operating funding (A)	36,410	38,769	2,359		39,839	43,603	45,464	47,559	51,788	53,522	55,624	62,088	64,145
Applications of operating funding													
Payments to staff and suppliers	12,530	12,189	(341)	2	11,919	12,254	12,010	12,309	12,864	13,289	13,778	14,311	14,875
Finance costs	4,774	5,169	395		5,771	6,854	8,020	8,651	9,092	9,468	10,082	11,432	11,715
Internal charges and overheads applied	5,785	6,093	308		6,260	6,317	6,687	6,896	7,065	7,213	7,316	7,434	7,629
Other operating funding applications	10	515	505	3	2,760	260	10	10	10	10	10	10	10
Total applications of operating funding (B)	23,099	23,966	867		26,710	25,685	26,727	27,926	29,031	29,980	31,186	33,187	34,229
Surplus (deficit) of operating funding (A - B)	13,311	14,803	1,492		13,129	17,918	18,737	19,633	22,757	23,542	24,438	28,901	29,916
Sources of capital funding													
Subsidies and grants for capital expenditure	10,590	12,668	2,078		17,599	21,387	12,597	12,735	13,261	13,647	13,952	14,216	15,093
Development and financial contributions	539	539	-		539	539	539	539	539	539	539	539	539
Increase (decrease) in debt	13,272	10,563	(2,709)		9,557	13,184	11,284	10,130	15,709	8,480	16,665	9,700	9,306
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	24,401	23,770	(631)		27,695	35,110	24,420	23,404	29,509	22,666	31,156	24,455	24,938
Applications of capital funding													
Capital expenditure													
- to meet additional demand	1,765	1,580	(185)		-	5,260	1,864	5,129	3,339	4,396	5,934	7,782	1,594
- to improve the level of service	10,968	11,199	231		19,952	24,572	17,867	14,042	14,304	15,386	15,946	16,318	21,206
- to replace existing assets	24,979	25,794	815	4	20,872	23,196	23,426	23,866	34,623	26,426	33,714	29,256	32,054
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	37,712	38,573	861		40,824	53,028	43,157	43,037	52,266	46,208	55,594	53,356	54,854
Surplus (deficit) of capital funding (C - D)	(13,311)	(14,803)	(1,492)		(13,129)	(17,918)	(18,737)	(19,633)	(22,757)	(23,542)	(24,438)	(28,901)	(29,916)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following depreciation/amortisation charge													
	22,285	22,646	(654)		23,012	25,292	26,204	26,987	30,088	30,937	31,912	36,334	37,333

Notes:

- Reduction in income due to change in NZTA funding allocation rules.
- Variance due to savings found in Insurance and street lighting areas.
- Funding for cycleways planning \$250k, new transport initiatives; one month trials for a) \$180k for capped weekend bus fares during December 2015 b) \$75k to reduce off-peak student bus fares by 25%. Also included is increased funding for cycleways planning \$250k.
- The variance is a result of the availability and use of improved asset information and asset management systems, these systems have resulted in better informed renewals spend.

FUNDING IMPACT STATEMENT
7.2 FOR PARKING

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	(14,086)	(14,051)	35		(15,056)	(15,442)	(15,501)	(15,514)	(15,514)	(15,570)	(15,563)	(15,499)	(15,455)
Targeted rates (other than a targeted rate for water supply)	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply	18,316	19,899	1,583	1	20,561	21,023	21,544	21,914	22,400	22,926	23,472	24,039	24,646
Internal charges and overheads recovered	-	-	-		-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	7,706	7,556	(150)		7,853	8,038	8,208	8,379	8,564	8,765	8,974	9,191	9,423
Total operating funding (A)	11,936	13,404	1,468		13,358	13,619	14,251	14,779	15,450	16,121	16,883	17,731	18,614
Applications of operating funding													
Payments to staff and suppliers	9,850	10,346	496	2	10,589	10,776	11,066	11,344	11,649	11,997	12,357	12,778	13,203
Finance costs	17	479	462		581	770	865	953	1,223	1,505	1,798	2,090	2,383
Internal charges and overheads applied	1,593	1,987	394		2,003	2,013	2,244	2,326	2,394	2,435	2,442	2,443	2,500
Other operating funding applications	1	1	-		1	1	1	1	1	1	1	1	1
Total applications of operating funding (B)	11,461	12,813	1,352		13,174	13,560	14,176	14,624	15,267	15,938	16,598	17,312	18,087
Surplus (deficit) of operating funding (A - B)	475	591	116		184	59	75	155	183	183	285	419	527
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(295)	858	1,153		312	239	904	23	(71)	1,084	1,022	935	875
Gross proceeds from sales of assets	-	-	-		-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(295)	858	1,153		312	239	904	23	(71)	1,084	1,022	935	875
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	30	1,449	1,419	3	496	114	117	120	112	128	132	137	142
- to replace existing assets	150	-	(150)		-	184	862	58	-	1,139	1,175	1,217	1,260
Increase (decrease) in reserves	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	180	1,449	1,269		496	298	979	178	112	1,267	1,307	1,354	1,402
Surplus (deficit) of capital funding (C - D)	(475)	(591)	(116)		(184)	(59)	(75)	(155)	(183)	(183)	(285)	(419)	(527)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following depreciation/amortisation charge													
	475	591	40		184	59	75	155	183	183	285	419	527

Notes:

1. To improve service delivery, the city's parking warden function was brought in-house during the 2014/15 Annual Plan. The business unit is working to improve the performance and efficiency of this service.
2. Funding for Waterfront parking services moved from Activity 6.1 coupled with additional operational funding required to implement and operate the parking sensor service.
3. After a trial period, funding has been approved to install parking sensors across the city.

FUNDING IMPACT STATEMENT
10.1 ORGANISATIONAL

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
Sources of operating funding													
General rates, uniform annual general charges, rates penalties	(14,310)	(12,422)	1,888		(8,711)	(6,854)	(4,828)	(4,467)	(3,876)	(4,804)	(3,770)	(4,415)	(4,568)
Targeted rates (other than a targeted rate for water supply)	-	-	-		-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-		-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water supply ¹	26,544	29,793	3,249	1	29,927	30,219	30,095	31,583	33,825	36,088	36,260	39,043	40,262
Internal charges and overheads recovered	35,734	34,577	(1,157)		33,786	34,130	34,675	35,297	36,062	36,862	37,774	38,749	39,811
Local authorities fuel tax, fines, infringement fees, and other receipts	1,100	1,050	(50)		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
Total operating funding (A)	49,068	52,998	3,930		56,052	58,545	60,992	63,463	67,061	69,196	71,314	74,427	76,555
Applications of operating funding													
Payments to staff and suppliers	57,639	71,094	13,455	2	70,677	88,338	71,407	73,048	73,746	73,899	75,404	77,427	78,404
Finance costs	1,514	1,829	315		3,254	5,025	5,879	6,314	6,576	6,728	6,921	7,223	7,185
Internal charges and overheads applied	(24,418)	(30,727)	(6,309)		(33,066)	(34,172)	(39,385)	(41,433)	(42,596)	(42,563)	(42,524)	(41,387)	(42,414)
Other operating funding applications	100	100	-		100	100	100	100	1,100	1,100	1,100	1,100	1,100
Total applications of operating funding (B)	34,835	42,296	7,461		40,965	59,092	38,001	38,029	38,826	39,164	40,801	44,363	44,275
Surplus (deficit) of operating funding (A - B)	14,233	10,702	(3,531)		15,087	19,453	22,991	25,434	28,235	30,032	30,513	30,064	32,280
Sources of capital funding													
Subsidies and grants for capital expenditure	-	-	-		-	-	1,989	-	-	-	-	-	-
Development and financial contributions	-	-	-		-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	30,206	15,148	(15,058)		24,146	7,595	(10,801)	(9,165)	(12,042)	(11,104)	(16,587)	(15,615)	(16,706)
Gross proceeds from sales of assets	2,000	2,000	-		5,000	15,100	9,500	2,000	2,000	2,000	2,000	2,000	2,000
Lump sum contributions	-	-	-		-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	32,206	17,148	(15,058)		29,146	22,695	688	(7,165)	(10,042)	(9,104)	(14,587)	(13,615)	(14,706)
Applications of capital funding													
Capital expenditure	-	-	-		-	-	-	-	-	-	-	-	-
- to meet additional demand	-	-	-		-	-	-	-	-	-	-	-	-
- to improve the level of service	1,990	2,370	380	3	16,304	16,113	7,203	1,855	2,137	4,094	2,033	2,104	2,179
- to replace existing assets	16,007	15,437	(570)	4	17,269	18,641	11,701	13,160	13,783	15,232	12,769	13,682	15,168
Increase (decrease) in reserves	28,442	10,043	(18,399)		10,660	7,394	4,775	3,254	2,273	1,602	1,124	663	227
Increase (decrease) in investments	-	-	-		-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	46,439	27,850	(18,589)		44,233	42,148	23,679	18,269	18,193	20,928	15,926	16,449	17,574
Surplus (deficit) of capital funding (C - D)	(14,233)	(10,702)	3,531		(15,087)	(19,453)	(22,991)	(25,434)	(28,235)	(30,032)	(30,513)	(30,064)	(32,280)
Funding balance ((A - B) + (C - D))	-	-	-		-								
Expenses for this activity grouping include the following													
depreciation/amortisation charge	7,921	12,776	7,486		13,696	14,846	18,106	20,091	21,599	23,027	23,265	22,275	23,842

Notes:

- Wellington Waterfront operations have been brought in-house from Year 1 of the 2015-25 Long-term Plan with revenues of approximately \$3m per annum.
- Increase due to Wellington Waterfront operations movement from Activity 6.1 to Activity 10.1 \$3.3m, funding Council self-insurance of \$1.5m for each year of the 2015-25 Long-term Plan, funding information technology programmes including a contribution to the regional shared services platform \$3.4m. Costs associated with the earthquake strengthening and refurbishment of the civic campus including building maintenance and renting alternate accommodation for Council employees \$1.65m. Internal funding has increased for managing infrastructure projects \$1m, and training budgets across Council have been centralised into this activity \$750k.
- Funding increased for civic campus resilience and efficiency improvements over 2014/15 Annual Plan.
- Budget reduced due to focus of work on civic campus buildings changing from renewal of facilities to building resilience upgrades.

2015-25 LTP FUNDING IMPACT STATEMENT

— RATING MECHANISMS

RATES

Rates are a property tax to fund local government activities. Rates are assessed under the Local Government (Rating) Act 2002 (the Act) on rating units in the Rating Information Database. Where rates requirements are allocated based on property value, the capital value of the property as assessed by the Council's valuation services provider will apply. The latest city-wide revaluation was carried out as at 1 September 2012. This revaluation remains effective for the 2015/16 rating year, except where subsequent maintenance valuations have been required under valuation rules or the Council's rating policies.

City-wide revaluations are performed every three years. The next city-wide revaluation will be carried out as at 1 September 2015 and will be effective for the 2016/17 rating year and the two consecutive rating years (subject again to subsequent maintenance valuations).

Policy objective:

- To provide the Council with adequate income to carry out its mission and objectives.
- To support the Council's achievement of its strategic objectives.
- To be simply administered, easily understood, allow for consistent application and generate minimal compliance costs.
- To spread the incidence of rates as equitably as possible by balancing the level of service provided by the Council with ability to pay and the incidence of costs in relation to benefits received.
- To be neutral in that it does not encourage people to redirect activity in order to avoid its impact.
- To reflect the decisions of the Council's policies and rating reviews.

GENERAL RATES

General rates are set under section 13 of the Act on all rateable rating units in the City of Wellington.

The Council proposes to set a general rate based on the capital value of each rating unit within the city.

The general rate will be set on a differential basis, based on land use. All rating units (or part thereof) will be classified for the purposes of general rates within one of the following rating differentials.

DIFFERENTIAL RATING CATEGORIES

Base Differential

This includes:

- a. Separately rateable land used solely for one or more household units; excluding those properties that provide short stay (28 days or less) commercial accommodation for which a tariff is charged
- b. Vacant land zoned residential
- c. Rural land (including farmland and lifestyle blocks) under the District Plan that is administered by the Council, but excluding any rating unit that is used for rural industrial purposes
- d. Separately-rateable land occupied by a charitable organisation which is deemed by the Council to be used exclusively or principally for sporting, recreation or community purposes and that does not generate any private pecuniary profit.

This category has a general rate differential rating factor of 1.0.

Commercial, Industrial and Business Differential

This includes:

- a. Separately-rateable land used for a commercial or industrial purpose
- b. Vacant land zoned commercial, industrial or rural industrial under the District Plan administered by the Council
- c. Land used for offices, administrative and/or associated functions
- d. Land used for commercial accommodation for which a tariff is charged and where the principal purpose is the provision of short stay (28 days or less) accommodation
- e. Business-related premises used principally for private pecuniary benefit
- f. Utility networks
- g. Any property not otherwise categorised within the Base Differential.

This category has a general rate differential rating factor of 2.8.

Differential Rating Category Conditions

Differential rating 2.8:1 Commercial:Base

- The differential apportionment for the commercial, industrial and business sector is 2.8 times the General rate per dollar of capital value payable by those properties incorporated under the Base (Residential) differential. No changes are proposed to the differential apportionment in 2015/16.
- The separated parts of a rating unit will be differentially rated where a part of the property is non-rateable or the property fits under one or more rating differential and either:
 - a) The total capital value of the rating unit is above \$800,000 or
 - b) Minority use(s) account for more than 30 percent of the total capital value of the rating unit.

In any other case, the General rate differential is determined by principal use.

- In regard to the rates attributable to a rating unit during the transition period between two differential rating categories, a ratepayer may apply for a change in rating category at any time between the lodgement of a building consent application with the Council (on the condition that the principal prior use has ended) and the earlier of either:
 - a) The time at which the Council gives final approval of the completed works, or
 - b) The property is deemed (by the Council) to be available for its intended use.
- In situations where the change in land use does not require a Council consent, but warrants a change in differential rating category, the onus is on the ratepayer to inform the Council prior to the property being utilised under the new use.
- The rating differential classification of all rating units must be set prior to the commencement of a rating year and will remain in place for that entire rating year. Any change in circumstances that results in a change of differential classification during a rating year will apply from 1 July of the following rating year.

- Any property eligible for mandatory 50 percent non-rateability under Part 2, Schedule 1, of the Act, will be first classified under the appropriate General rate differential classifications and the non-rateability applied to that rate.

Uniform Annual General Charge

The Council does not assess a uniform annual general charge.

NON-RATEABLE LAND

Non-Rateable

Includes any land referred to in Part 1, Schedule 1 of the Act. This land is non-rateable with the exception of targeted rates solely for sewerage and water where the service is provided.

50 Percent Non-Rateable

Includes all land referred to in Part 2, Schedule 1 of the Act. This land is 50 percent non-rateable in respect of the rates that apply, with the exception of targeted rates for sewerage and water for which the land is fully rateable if the service is provided.

TARGETED RATES

Targeted rates are set under section 16 of the Act.

The Council has not adopted any lump sum contribution schemes under part 4A of the Act in respect of its targeted rates, and will not accept lump sum contributions in respect of any targeted rate.

Sewerage Rate

Targeted sewerage rates are to be apportioned 60 percent:40 percent of rates between properties incorporated under the Base differential and the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy. This rate pays for the cost of the provision of the sewerage treatment facilities for the city.

For the purposes of these rates the sewerage collection and disposal service is treated as being provided if the rating unit is connected to a public sewerage drain (either directly or indirectly), irrespective of whether the property is considered fully rateable or is mandatory non-rateable or 50 percent non-rateable under Schedule 1 of the Act.

The targeted Sewerage rate is calculated as follows:

For rating units incorporated in the Commercial, Industrial and Business differential:

A rate per dollar of capital value on all rating units connected to a public sewerage drain, to collect 40 percent of the required rates funding, after having deducted the total dollar amount budgeted to be collected through Trade Waste Charges (excluding consent fees).

For rating units incorporated in the Base differential:

A fixed amount per annum per rating unit for administration, plus a rate per dollar of capital value on all rating units connected to a public sewerage drain, to collect 60 percent of the required rate funding.

Water Rate

A targeted rate for water is to be apportioned with the aim of achieving a 60 percent:40 percent split between properties incorporated under the Base differential and the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy.

This rate pays for water collection and treatment facilities, the water distribution network and water conservation for the city.

This rate is set on all rating units serviced by a water connection.

For the purposes of these rates, the water service is treated as being provided if the rating unit is connected to the public water supply (either directly or indirectly), irrespective of whether the property is considered fully rateable or is mandatorily non-rateable or 50 percent non-rateable under Schedule 1 or 2 of the Act.

The targeted Water rate is calculated as follows:

For rating units incorporated in the Commercial, Industrial and Business differential, either:

- a) A consumption unit rate per cubic metre of water used for all rating units connected to the public water supply with a water meter installed, plus a fixed amount per annum per rating unit for administration.

Or

- b) A rate per dollar of capital value on all rating units connected to the public water supply, without a water meter installed.

For rating units rated incorporated in the Base differential, either:

- a) A consumption unit rate per cubic metre of water used for all rating units connected to the public water supply with a water meter installed, plus a fixed amount per annum per rating unit for administration.

Or

- b) A fixed amount per annum per rating unit for administration, plus a rate per dollar of capital value on all rating units connected to the public water supply without a water meter installed, to collect the required Base differential contribution.

Stormwater Network Rate

A targeted stormwater rate is to be apportioned 77.5 percent to the non-rural rating units incorporated under the Base differential and 22.5 percent to the non-rural rating units incorporated under the Commercial, Industrial and Business differential in accordance with the Revenue and Financing Policy.

This rate pays for the cost of the provision of the stormwater collection/disposal network for the city.

Properties classified as rural under the Council's District Plan are excluded from the liability of this rate.

The targeted Stormwater network rate is calculated as follows:

For non-rural rating units incorporated in the Commercial, Industrial and Business differential:

A rate per dollar of capital value to collect 22.5 percent of the required rates funding.

For non-rural rating units incorporated in the Base differential:

A rate per dollar of capital value to collect 77.5 percent of the required rates funding.

Commercial, Industrial and Business Sector Targeted Rate

This rate pays for activities where the Council's Revenue and Financing Policy identifies that the benefit can be attributed to the commercial, industrial and business sector and where the activity is not incorporated in other service related targeted rates. This incorporates the following:

- 30 percent of the cost of the Wellington Regional Economic Development Agency (WREDA) and Venues. This is the equivalent of 100 percent funding of the events attraction and support activity within WREDA.

This rate is assessed on all properties incorporated in the commercial, industrial and business sector and is calculated on a rate per dollar of rateable capital value.

Base Sector Targeted Rate

This rate pays for activities where the Council's Revenue and Financing Policy identifies that the benefit can be attributed to properties incorporated under the Base differential rating category (incorporating residential ratepayers). This incorporates the following activities:

- 100 percent of the facilitation of community environmental initiatives, cultural grants, facilitation of recreation partnerships and community advocacy activities.
- 95 percent of the provision of community centres and halls activities.
- 60 percent of the provision of the water network, collection and treatment, and the sewage collection, treatment and disposal network activities
- 77.5 percent of the stormwater management activity.

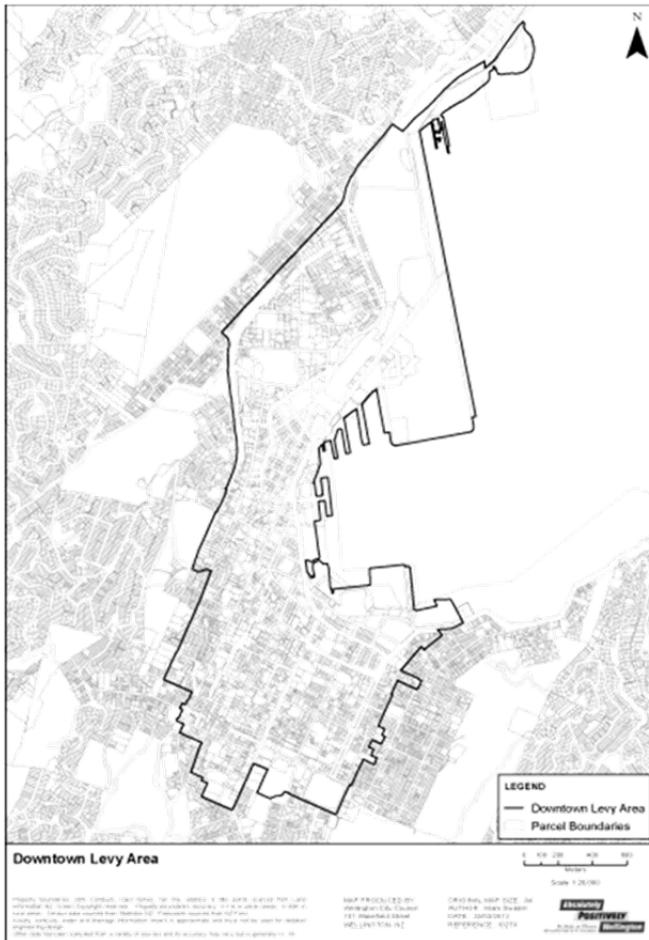
This rate is assessed on all properties incorporated under the Base differential rating category and is calculated on a rate per dollar of rateable capital value.

Downtown Targeted Rate

This rate pays for tourism promotion and retail support (free weekend parking). It also pays for:

- 50 percent of the cost of the Wellington Regional Economic Development Agency (WREDA) and Venues activities
- 40 percent of the cost of the Wellington Convention Centre activity
- 100 percent of retail support (free weekend parking) activity
- 70 percent of the visitor attractions activity
- 25 percent of galleries and museums activity.

This rate is assessed on all commercial, industrial and business properties in the downtown area and is calculated on a rate per dollar of rateable capital value. For the purposes of this rate, the downtown area refers to the area as described by the Downtown Area map as follows:



Tawa Driveways Targeted Rate

This rate pays for the maintenance of a specified group of residential access driveways in the suburb of Tawa, overseen by the Council. This rate is assessed on a specific group of rating units that have shared access driveway that are maintained by Council in the former Tawa Borough at a fixed amount per annum per rating unit.

Marsden Village Targeted Rate

This rate is collected by the Council on behalf of the Marsden Village Association on all commercial, industrial and business properties in the Marsden shopping village (see map below) and is calculated on a rate per dollar of capital value to fund the maintenance of the area.

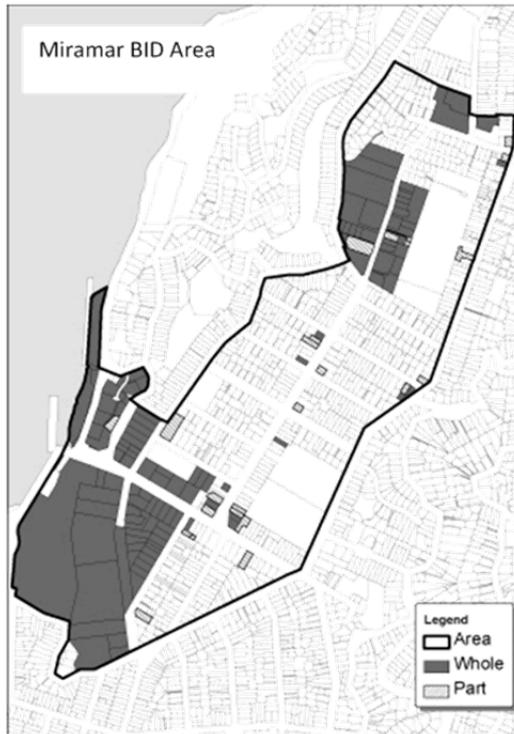


Miramar Business Improvement District Targeted Rate

This rate is set by Council to fund the Business Improvement District activities of Enterprise Miramar Peninsula Incorporated.

The category of land for which this rate is set is on all rating units within the Miramar Business Improvement District (see map) which are subject to the “commercial, industrial and business” differential, but excluding any rating unit that is a substation or used by local or central government for a non-business purpose.

Liability for this rate is calculated as a fixed amount per rating unit, plus a rate per dollar of capital value for any capital value over \$1 million per rating unit.



Khandallah Business Improvement District Targeted Rate

This rate is set by Council to fund the Business Improvement District activities of the Khandallah Village Business Association.

The category of land for which this rate is set is on all rating units within the Khandallah Business Improvement District (see map) which are subject to the “commercial, industrial and business” differential, but excluding any rating unit that is a substation.

Liability for this rate is calculated as a rate per dollar of rateable capital value.

Indicative Rates

The following table shows the indicative residential and commercial property rates inclusive of GST for a selection of billing categories for 2015-16:

Indicative residential property rates (for properties without a water meter)

Capital Values \$	2015/16 Rates \$	Increase over 2014/15 %
200,000	1,122	4.13%
300,000	1,542	4.53%
400,000	1,963	4.75%
500,000	2,383	4.90%
600,000	2,804	5.00%
700,000	3,224	5.08%
800,000	3,645	5.14%
900,000	4,065	5.18%
1,000,000	4,486	5.22%
1,100,000	4,906	5.25%
1,200,000	5,326	5.28%
1,300,000	5,747	5.30%
1,400,000	6,167	5.32%
1,500,000	6,588	5.34%

Indicative suburban commercial property rates (for properties with a water meter). This excludes water by consumption which is charged on actual usage.

Capital Values \$	2015/16 Rates \$	Increase over 2014/15 %
1,000,000	9,995	6.67%
1,250,000	12,462	6.69%
1,500,000	14,928	6.70%
1,750,000	17,395	6.71%
2,000,000	19,862	6.72%
2,250,000	22,328	6.72%
2,500,000	24,795	6.73%
2,750,000	27,261	6.73%
3,000,000	29,728	6.73%
3,250,000	32,195	6.74%
3,500,000	34,661	6.74%
3,750,000	37,128	6.74%
4,000,000	39,594	6.74%
4,250,000	42,061	6.74%

Indicative downtown commercial property rates (for properties with a water meter). This excludes water by consumption which is charged on actual usage.

Capital Values \$	2015/16 Rates \$	Increase over 2014/15 %
1,000,000	12,204	5.43%
1,250,000	15,222	5.44%
1,500,000	18,241	5.45%
1,750,000	21,260	5.45%
2,000,000	24,279	5.46%
2,250,000	27,297	5.46%
2,500,000	30,316	5.46%
2,750,000	33,335	5.47%
3,000,000	36,354	5.47%
3,250,000	39,372	5.47%
3,500,000	42,391	5.47%
3,750,000	45,410	5.47%
4,000,000	48,429	5.47%
4,250,000	51,447	5.47%

1,600,000	7,008	5.35%
1,700,000	7,429	5.37%
1,800,000	7,849	5.38%

4,500,000	44,528	6.74%
4,750,000	46,994	6.74%
5,000,000	49,461	6.75%

4,500,000	54,466	5.48%
4,750,000	57,485	5.48%
5,000,000	60,504	5.48%

FUNDING IMPACT STATEMENT (excluding GST)

RATE	CATEGORY	FACTOR	DIFFERENTIAL CHARGE TYPE	TOTAL VALUE OF FACTOR	RATE/CHARGE	RATES YIELD GST EXCLUSIVE \$000
General Rate	Base (Residential)	Capital Value	Base differential use	\$36,978,901,000	€0.223675	\$82,713
	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business use	\$10,917,500,000	€0.625510	\$68,290
	TOTAL					
Sewerage targeted rate	Base (Residential)	Fixed amount / rating unit	Base differential use per connection status	67261 properties	\$106.60	\$7,170
	Commercial, Industrial & Business	Capital Value	Base differential use per connection status	\$39,305,293,000	€0.042882	\$16,855
	Commercial, Industrial & Business	Capital Value	Commercial, industrial and business use per connection status	\$9,278,961,000	€0.144413	\$13,400
TOTAL						\$37,425
Water targeted rate	Base (Residential) (without water meter)	Fixed amount / rating unit	Base differential use per connection status without a water meter	59317 properties	\$137.70	\$8,168
	Commercial, Industrial & Business (without water meter)	Capital Value	Base differential use per connection status without a water meter	\$31,725,203,000	€0.045198	\$14,339
	Base (Residential) (with water meter)	Consumption unit charge	Base differential use per connection status with a water meter	n/a	\$1,944 / m3	\$392
	Commercial, Industrial & Business (with water meter)	Fixed amount / rating unit	Base differential use per connection status with a water meter	n/a	\$111.90	\$76
	Commercial, Industrial & Business (without water meter)	Capital Value	Commercial, industrial and business use per connection status without a water meter	\$562,304,000	€0.405475	\$2,280
	Commercial, Industrial & Business (with water meter)	Consumption unit charge	Commercial, industrial and business use per connection status with a water meter	n/a	\$1,944 / m3	\$12,684
	Commercial, Industrial & Business (with water meter)	Fixed amount / rating unit	Commercial, industrial and business use per connection status with a water meter	n/a	\$111.90	\$352
TOTAL						\$38,291
Stormwater targeted rate	Base (Residential excluding rural)	Capital Value	Base differential use (excluding rural)	\$36,458,694,000	€0.037078	\$13,518
	Commercial, Industrial & Business (excluding rural)	Capital Value	Commercial, industrial and business use (excluding rural)	\$9,654,642,000	€0.040644	\$3,924
	TOTAL					
Base sector targeted rate	Base (Residential)	Capital Value	Residential use	\$36,923,649,000	€0.016781	\$6,196
Commercial sector targeted rate	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business use	\$10,887,500,000	€0.047385	\$5,159
Downtown targeted rate	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business use located in the downtown area	\$7,416,843,000	€0.192049	\$14,244
Tawa driveways targeted rate	Base (Residential)	Fixed amount / rating unit	Shared residential access driveways in maintained by Council in the suburb of Tawa (extent of provision of service)	251 properties	\$133.33	\$33
Marsden Village targeted rate	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business use located in Marsden shopping village area	\$11,905,000	€0.121538	\$14
Khandallah Business Improvement District targeted rate	Commercial, Industrial & Business	Capital Value	Commercial, industrial & business use located in the Khandallah Business Improvement District area	\$13,215,000	€0.151343	\$20
Miramar Business Improvement District targeted rate	Commercial, Industrial & Business	Fixed amount / rating unit	Commercial, industrial & business use located in the Miramar Business Improvement District area	128 properties	\$365.00	\$47
	Commercial, Industrial & Business	Capital Value over \$1,000,000 per rating unit	Commercial, industrial & business use located in the Miramar Business Improvement District area for all capital value over \$1,000,000 CV per rating unit	\$84,170,000	€0.039539	\$33
TOTAL						\$80
TOTAL RATES REQUIREMENT (excluding GST)						\$269,908

NOTE: When rates for 2015/16 are assessed, GST will be applied to the final rates. The total rates requirement includes rates remissions but excludes rates penalties which are budgeted separately.

RATES REMISSION AND POSTPONEMENT POLICIES

Refer to the Council Rates Remission and Postponement Policies. Changes to the rates remission policy are described on page xx.

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
REVENUE													
Revenue from rates (excluding metered water)	241,387	257,403	16,016		269,875	287,504	308,712	321,811	338,031	351,536	365,594	382,957	393,404
Revenue from water by metered	13,879	13,504	(375)	1	14,052	14,978	15,907	16,819	18,279	19,119	19,638	20,918	21,566
Revenue from development contributions	2,000	2,000	-		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Revenue from grants, subsidies and reimbursements	51,090	42,511	(8,579)	2	42,062	28,578	21,447	19,271	20,332	20,875	21,341	21,773	22,826
Revenue from operating activities	119,913	121,287	1,374	3	124,817	127,764	130,677	134,404	136,116	136,818	140,884	143,932	147,417
Investments	20,215	20,135	(80)		20,135	20,235	19,635	20,635	23,344	26,693	26,637	29,182	30,429
Fair value movement on investment property revaluation	-	3,665	3,665	4	4,324	4,821	5,143	5,482	6,057	6,449	6,865	7,543	8,027
Other revenue	1,100	1,050	(50)		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
Finance revenue	603	637	34		650	663	719	693	731	776	827	886	952
TOTAL REVENUE	450,187	462,192	12,005		478,965	487,593	505,290	522,165	545,940	565,316	584,836	610,241	627,671
EXPENSE													
Finance expense	23,041	22,961	(80)	5	26,498	32,365	36,868	38,926	40,453	43,602	47,956	53,549	55,946
Expenditure on operating activities	298,596	316,333	17,737	6	329,850	332,403	338,405	351,221	363,135	376,887	387,814	398,961	411,419
Depreciation and amortisation	102,165	99,797	(2,368)		102,250	108,742	114,681	116,963	124,694	128,634	131,158	139,648	143,188
TOTAL EXPENSE	423,802	439,091	15,289		458,598	473,510	489,954	507,110	528,282	549,123	566,928	592,158	610,553
NET SURPLUS FOR THE YEAR	26,385	23,101	(3,284)		20,367	14,083	15,336	15,055	17,658	16,193	17,908	18,083	17,118
OTHER COMPREHENSIVE REVENUE AND EXPENSE													
Fair value movement - property, plant and equipment - net	57,073	-	(57,073)		223,273	72,997	-	241,128	104,866	-	335,906	142,645	-
TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE	57,073	-	(57,073)		223,273	72,997	-	241,128	104,866	-	335,906	142,645	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSE	83,458	23,101	(60,357)		243,640	87,080	15,336	256,183	122,524	16,193	353,814	160,728	17,118

Notes:

- Water network costs have reduced resulting in less recovered from water rates
- Reduction between 14/15 and 15/16 funding from Housing New Zealand for the Housing Upgrade Programme.
- Details of specific changes to revenue from activities can be found in the Funding Impact Statements. This will outline at an activity level the key changes.
- Showing the impact of investment property revaluations. This is expected at a rate of half the property inflator in the significant forecasting assumptions
- Debt levels have increased between 14/15 and 15/16 and interest rates have decreased creating a modest interest increase.
- Details of specific changes to operational costs can be found in the Funding Impact Statements. This will outline at an activity level the key changes.

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

7. EXPLANATION OF NET OPERATING SURPLUS	2015/16
	LTP
EXPENDITURE NOT FUNDED UNDER SECTION 100 OF LGA	\$000
TOTAL SURPLUS	23,101
Represented by:	
NZTA Transport funded projects	(7,843)
General	(834)
Clearwater sewerage treatment plant	(2,955)
Decommissioned Living Earth joint venture plant	(198)
Wellington Waterfront Limited depreciation	(3,654)
TOTAL EXPENDITURE NOT FUNDED UNDER SECTION 100 OF LGA	(15,483)
REVENUE RECEIVED FOR CAPITAL PURPOSES	
NZTA capital funding	12,668
Ring-fenced housing capital grant and surplus	17,731
Development contributions	2,000
Bequests, trust and other external funding	2,690
TOTAL REVENUE RECEIVED FOR CAPITAL PURPOSES	35,090
ITEMS FUNDED FROM PRIOR YEAR SURPLUSES	
Economic Development Fund	(3,000)
Lyall Bay operational grant	(350)
TOTAL ITEMS FUNDED FROM PRIOR YEAR SURPLUS	(3,350)
ADDITIONAL ITEMS	
Weathertight Homes funding	6,661
ICT Infrastructure project	(2,880)
Ocean Exploration Centre	0
Cable car	0
Westpac Stadium	0
Alex Moore Park	(108)
Odyssey	(1,079)
Reserves purchases and development fund	(39)
Unrealised fair value adjustment for loans and receivables	624
Fair value movement on investment property revaluation	3,665
TOTAL ADDITIONAL ITEMS	6,844
BALANCED BUDGET UNDER SECTION 100 OF LGA	0

2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
LTP								
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
20,367	14,083	15,336	15,055	17,658	16,193	17,908	18,083	17,118
(7,595)	(7,586)	(7,679)	(7,566)	(7,543)	(7,607)	(7,686)	(7,645)	(7,629)
(90)	(80)	(70)	(60)	(50)	(40)	(30)	(20)	(10)
(2,955)	(3,174)	(3,174)	(3,174)	(3,443)	(3,442)	(3,442)	(3,771)	(3,771)
(198)	(210)	(210)	(210)	(220)	(196)	(192)	(211)	(211)
(3,297)	(3,122)	(2,857)	(2,399)	(2,015)	(1,645)	(1,182)	(641)	0
(14,135)	(14,172)	(13,990)	(13,409)	(13,270)	(12,930)	(12,533)	(12,289)	(11,621)
17,599	21,387	12,597	12,735	13,261	13,647	13,952	14,216	15,093
15,590	(1,330)	(3,081)	(1,955)	(1,896)	(4,524)	(3,757)	(4,827)	(7,895)
2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
0	50	600	150	507	507	507	507	507
35,190	22,107	12,116	12,930	13,871	11,630	12,702	11,896	9,705
(3,000)	(1,500)	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
(3,000)	(1,500)	0						
7,226	7,226	7,226	7,226	8,124	8,124	8,124	8,124	8,132
(2,730)	305	305	305	305	305	305	305	305
0	(6,000)	883	883	883	883	883	883	883
(2,288)	212	212	212	212	212	212	212	212
(4,575)	425	425	425	425	425	425	425	425
(472)	(190)	110	110	110	110	110	110	110
221	221	221	221	221	220	0	0	0
(30)	(24)	(11)	(11)	0	0	0	0	0
637	650	706	680	718	763	814	873	939
4,324	4,821	7,133	5,482	6,057	6,449	6,865	7,543	8,027
2,312	7,647	17,209	15,532	17,055	17,491	17,738	18,475	19,033
0	1	0	2	2	1	0	1	1

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

	2014/15	2015/16	Variance	Notes	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	AP	LTP	to LTP		LTP								
	\$000	\$000	\$000		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
ASSETS													
Current assets													
Cash and cash equivalents	2,389	1,249	(1,140)		1,306	1,366	1,194	982	823	902	1,405	1,380	1,248
Derivative financial assets	409	-	(409)		-	-	-	-	-	-	-	-	-
Receivables from exchange transactions	39,556	42,333	2,777		43,760	45,283	46,915	48,487	49,754	50,548	52,158	53,770	55,139
Prepayments	15,048	12,096	(2,952)	1	12,815	12,898	13,128	13,707	14,228	14,805	15,256	15,703	16,219
Inventories	875	888	13		906	922	941	958	974	1,002	1,025	1,051	1,076
Non-current assets classified as held for sale	-	-	-		-	-	-	-	-	-	-	-	-
Total current assets	58,277	56,566	(1,711)		58,787	60,469	62,178	64,134	65,779	67,257	69,844	71,904	73,682
Non-current assets													
Derivative financial assets	3,280	-	(3,280)		-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-		-	-	-	-	-	-	-	-	-
Other financial assets	8,928	10,473	1,545		11,110	11,760	12,466	13,146	13,864	14,627	15,441	16,314	17,253
Intangibles	16,743	28,936	12,193		31,801	37,309	36,746	36,534	36,418	38,868	39,456	42,457	46,125
Investment properties	205,951	196,566	(9,385)		200,890	205,711	210,854	216,336	222,393	228,842	235,707	243,250	251,277
Property, plant & equipment	6,974,749	6,674,860	(299,889)		6,960,405	7,111,895	7,169,284	7,425,228	7,557,942	7,657,036	8,025,618	8,191,328	8,224,743
Investment in subsidiaries	3,809	3,809	-		3,809	3,809	3,809	3,809	3,809	3,809	3,809	3,809	3,809
Investment in associates	19,519	19,504	(15)		19,504	19,504	19,504	19,504	19,504	19,504	19,504	19,504	19,504
Total non-current assets	7,232,979	6,934,148	(298,831)		7,227,519	7,389,988	7,452,663	7,714,557	7,853,930	7,962,686	8,339,535	8,516,662	8,562,711
TOTAL ASSETS	7,291,256	6,990,714	(300,542)		7,286,306	7,450,457	7,514,841	7,778,691	7,919,709	8,029,943	8,409,379	8,588,566	8,636,393
LIABILITIES													
Current liabilities													
Derivative financial liabilities	404	-	(404)		-	-	-	-	-	-	-	-	-
Trade and other payables	57,945	59,122	1,177		63,291	68,672	66,017	61,151	64,614	76,529	71,007	71,692	74,991
Revenue in advance	11,405	33,496	22,091		13,345	11,289	11,546	11,875	12,027	12,089	12,448	12,717	13,025
Borrowings	155,562	219,789	64,227		259,762	301,044	329,269	336,064	343,902	386,962	402,929	411,851	425,866
Employee benefit liabilities and provisions	5,698	6,845	1,147		6,856	6,931	7,060	7,214	7,380	7,608	7,797	8,009	8,225
Provision for other liabilities	17,466	11,790	(5,676)		8,548	6,089	4,819	4,168	3,903	3,878	3,892	3,952	4,001
Total current liabilities	248,480	331,042	82,562		351,802	394,025	418,711	420,472	431,826	487,066	498,073	508,221	526,108
Non-current liabilities													
Derivative financial liabilities	12,831	-	(12,831)		-	-	-	-	-	-	-	-	-
Trade and other payables	-	630	630		630	630	630	630	630	630	630	630	630
Borrowings	248,601	196,474	(52,127)		232,206	269,109	294,339	300,414	307,420	345,912	360,185	368,161	380,689
Employee benefit liabilities	1,474	1,708	234		1,711	1,729	1,761	1,800	1,842	1,898	1,945	1,998	2,052
Provisions for other liabilities	43,687	23,945	(19,742)		19,402	17,329	16,429	16,221	16,313	16,566	16,861	17,143	17,383
Total non-current liabilities	306,593	222,757	(83,836)		253,949	288,797	313,159	319,065	326,205	365,006	379,621	387,932	400,754
TOTAL LIABILITIES	555,072	553,799	(1,273)		605,750	682,821	731,869	739,536	758,030	852,071	877,693	896,152	926,861
EQUITY													
Accumulated funds and retained earnings	4,992,265	4,994,681	2,416		5,014,552	5,028,194	5,043,158	5,057,909	5,075,335	5,091,378	5,109,223	5,127,339	5,142,544
Revaluation reserves	1,743,064	1,429,106	(313,958)		1,652,379	1,725,376	1,725,376	1,966,504	2,071,370	2,071,370	2,407,276	2,549,921	2,549,921
Hedging reserve	(9,955)	137	10,092		137	137	137	137	137	137	137	137	137
Fair value through other comprehensive income reserve	93	63	(30)		63	63	63	63	63	63	63	63	63
Restricted funds	10,716	12,928	2,212		13,424	13,866	14,238	14,541	14,774	14,924	14,986	14,953	16,867
TOTAL EQUITY	6,736,183	6,436,915	(299,268)		6,680,555	6,767,635	6,782,971	7,039,154	7,161,678	7,177,871	7,531,685	7,692,413	7,709,531
TOTAL EQUITY AND LIABILITIES	7,291,255	6,990,713	(300,542)		7,286,305	7,450,456	7,514,840	7,778,690	7,919,708	8,029,942	8,409,378	8,588,565	8,636,392

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

Notes:

1. The prepayments balance of \$15m was set to be in line with the actuals available for 2012 and 2013 of \$14m and \$15m respectively. The 2015/16 forecast figure is based on analysing the historical ratio between the balance of prepayments and the operating expenditure and is less than the forecast AP figure for 2014/15.
2. Movement primarily comprised of movement due to amortisation of loans.
3. Forecast spend for 2014/15 was \$8m
4. Revaluation impact on investment properties was not included in the forecast for 2014/15 and the balances were based on the investment properties balance from the actual 2012/13 balance. Despite a revaluation adjustment for the 15/16 year based on the BERL figures it was not enough to offset the impact of the revaluation loss incurred in 2013/14.
5. 2014/15AP balance of PP&E was based on the assumption that 2013/14 actuals would show a revaluation of \$176m. The actual result was a loss of \$46m.
6. The prepayments balance of \$11m was set to be in line with the actuals available for 2012 and 2013 of \$11m and \$11m respectively. The 2015/16 forecast figure is based on analysing the historical ratio between the balance of revenue in advance and the operating income and is greater than the forecast AP figure for 2014/15. There is also an additional adjustment for revenue in advance relating to the housing project of \$19m.
7. Movement in weatertight homes provision
8. See note 5 on difference due to actual compared with forecast revaluation.
9. We do not forecast movements in derivatives the balances are based on historical balances for prior year actuals.

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
EQUITY - OPENING BALANCES													
Accumulated funds and retained earnings	4,965,881	4,972,119	6,238		4,994,681	5,014,552	5,028,194	5,043,158	5,057,909	5,075,335	5,091,378	5,109,223	5,127,339
Revaluation reserves	1,685,991	1,429,106	(256,885)		1,429,106	1,652,379	1,725,376	1,725,376	1,966,504	2,071,370	2,071,370	2,407,276	2,549,921
Hedging reserve	(9,955)	137	10,092		137	137	137	137	137	137	137	137	137
Fair value through other comprehensive income reserve	93	63	(30)		63	63	63	63	63	63	63	63	63
Restricted funds	10,715	12,389	1,674		12,928	13,424	13,866	14,238	14,541	14,774	14,924	14,986	14,953
TOTAL EQUITY - Opening balance	6,652,725	6,413,814	(238,911)		6,436,915	6,680,555	6,767,635	6,782,971	7,039,154	7,161,678	7,177,871	7,531,685	7,692,413
CHANGES IN EQUITY													
Retained earnings													
Net surplus/for the year	26,385	23,101	(3,284)		20,367	14,083	15,336	15,055	17,658	16,193	17,908	18,083	17,118
Transfer to restricted funds	(3,766)	(4,518)	(752)		(4,555)	(4,598)	(4,637)	(4,685)	(4,734)	(4,790)	(4,845)	(4,911)	(7,026)
Transfer from restricted funds	3,765	3,979	214		4,059	4,157	4,265	4,382	4,502	4,640	4,783	4,944	5,113
Hedging reserve													
Share of other comprehensive income	57,073	-	(57,073)		223,273	72,997	-	241,128	104,866	-	335,906	142,645	-
Restricted Funds													
Transfer to retained earnings	(3,765)	(3,979)	(214)		(4,059)	(4,157)	(4,265)	(4,382)	(4,502)	(4,640)	(4,783)	(4,944)	(5,113)
Transfer from retained earnings	3,766	4,518	752		4,555	4,598	4,637	4,685	4,734	4,790	4,845	4,911	7,026
TOTAL COMPREHENSIVE INCOME	83,458	23,101	(60,357)		243,640	87,080	15,336	256,183	122,524	16,193	353,814	160,728	17,118
EQUITY - CLOSING BALANCES													
Accumulated funds and retained earnings	4,992,265	4,994,681	2,416		5,014,552	5,028,194	5,043,158	5,057,909	5,075,335	5,091,378	5,109,223	5,127,339	5,142,544
Revaluation reserves	1,743,064	1,429,106	(313,958)		1,652,379	1,725,376	1,725,376	1,966,504	2,071,370	2,071,370	2,407,276	2,549,921	2,549,921
Fair value through other comprehensive revenue and expense	(9,955)	137	10,092		137	137	137	137	137	137	137	137	137
Restricted funds	93	63	(30)		63	63	63	63	63	63	63	63	63
Hedging reserve	10,716	12,928	2,212		13,424	13,866	14,238	14,541	14,774	14,924	14,986	14,953	16,867
TOTAL EQUITY - Closing balance	6,736,183	6,436,915	(299,268)		6,680,555	6,767,635	6,782,971	7,039,154	7,161,678	7,177,871	7,531,685	7,692,413	7,709,531

Notes:

PROSPECTIVE STATEMENT OF CASH FLOWS

	2014/15 AP \$000	2015/16 LTP \$000	Variance to LTP \$000	Notes	2016/17 LTP \$000	2017/18 LTP \$000	2018/19 LTP \$000	2019/20 LTP \$000	2020/21 LTP \$000	2021/22 LTP \$000	2022/23 LTP \$000	2023/24 LTP \$000	2024/25 LTP \$000
CASH FLOWS FROM OPERATING ACTIVITIES													
Receipts from rates - Council (excluding metered water)	241,387	248,955	7,568		269,465	286,926	308,016	321,381	337,498	351,093	365,133	382,387	393,061
Receipts from water rates by meter	13,879	10,773	(3,106)		13,942	14,790	15,719	16,635	17,984	18,949	19,533	20,659	21,435
Receipts from rates - Greater Wellington Regional Council	50,341	53,018	2,677	1	55,597	59,243	63,628	66,336	69,690	72,483	75,390	78,980	81,140
Receipts from activities and other income	123,013	136,363	13,350	2	106,809	128,001	133,236	136,825	138,879	139,749	143,249	146,468	149,880
Receipts from grants and subsidies - operating	7,715	36,026	28,311		35,376	21,637	15,186	12,885	13,768	14,154	14,459	14,723	15,600
Receipts from grants and subsidies - capital	43,375	6,485	(36,890)		6,686	6,941	6,261	6,386	6,564	6,721	6,882	7,050	7,226
Receipts from investment property lease rentals	9,215	9,135	(80)		9,135	9,135	9,135	9,135	9,135	9,135	9,135	9,135	9,135
Cash paid to suppliers and employees	(286,780)	(294,178)	(7,398)		(293,143)	(294,304)	(304,532)	(312,916)	(320,607)	(331,300)	(341,931)	(352,466)	(364,348)
Rates paid to Greater Wellington Regional Council	(50,341)	(53,018)	(2,677)		(55,597)	(59,243)	(63,628)	(66,336)	(69,690)	(72,483)	(75,390)	(78,980)	(81,140)
Grants paid	(28,719)	(35,583)	(6,864)		(43,827)	(42,806)	(35,654)	(38,197)	(41,750)	(44,354)	(44,803)	(45,303)	(45,825)
NET CASH FLOWS FROM OPERATING ACTIVITIES	123,085	117,976	(5,109)		104,443	130,320	147,367	152,134	161,471	164,147	171,657	182,653	186,164
CASH FLOWS FROM INVESTING ACTIVITIES													
Dividends received	11,000	11,000	-		11,000	11,100	10,500	11,500	14,209	17,558	17,502	20,047	21,294
Interest received	44	637	593		650	663	719	693	731	776	827	886	952
Proceeds from sale of property, plant and equipment	4,050	2,650	(1,400)		(4,600)	5,250	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Purchase of Intangibles	(8,777)	(11,195)	(2,418)		(8,418)	(11,493)	(6,101)	(6,201)	(6,533)	(8,953)	(6,711)	(6,892)	(7,451)
Purchase of property, plant and equipment	(155,724)	(146,857)	8,867		(152,301)	(181,542)	(170,922)	(133,955)	(146,032)	(213,033)	(166,620)	(161,549)	(173,043)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(149,407)	(143,765)	5,642		(153,669)	(176,022)	(163,804)	(125,963)	(135,625)	(201,652)	(153,002)	(145,508)	(156,248)
CASH FLOWS FROM FINANCING ACTIVITIES													
New borrowings	203,964	239,327	35,363		231,267	297,974	313,217	313,914	344,113	417,616	374,142	403,860	429,472
Repayment of borrowings	(155,562)	(197,932)	(42,370)		(155,562)	(219,789)	(259,762)	(301,044)	(329,269)	(336,064)	(343,902)	(386,962)	(402,929)
Interest paid on borrowings	(22,080)	(22,763)	(683)		(26,422)	(32,423)	(37,190)	(39,253)	(40,849)	(43,968)	(48,392)	(54,068)	(56,591)
NET CASH FLOWS FROM FINANCING ACTIVITIES	26,322	18,632	(7,690)		49,283	45,762	16,265	(26,383)	(26,005)	37,584	(18,152)	(37,170)	(30,048)
Net increase/(decrease) in cash and cash equivalents	-	(7,157)	(7,157)		57	60	(172)	(212)	(159)	79	503	(25)	(132)
Cash and cash equivalents at beginning of year	2,389	8,406	6,017		1,249	1,306	1,366	1,194	982	823	902	1,405	1,380
CASH AND CASH EQUIVALENTS AT END OF YEAR	2,389	1,249	(1,140)		1,306	1,366	1,194	982	823	902	1,405	1,380	1,248

Notes:

- Wellington City Council collects rates on behalf of GWRC.
- Increased income from activities is detailed in the Funding Impact Statements by activity.

PROSPECTIVE STATEMENT OF CHANGES IN RESTRICTED FUNDS

	OPENING BALANCE 2015/16 \$000	DEPOSITS \$000	EXPENDITURE \$000	CLOSING BALANCE 2024/25 \$000	Purpose
SPECIAL RESERVES AND FUNDS					
Reserve purchase and development fund	287	-	-	287	Used to purchase and develop reserve areas within the city.
Economic initiatives development fund	2,075	32,050	(34,125)	-	
Insurance reserve	9,609	17,065	(10,533)	16,142	Allows the Council to meet the uninsured portion of insurance claims
Total special reserves and funds	11,971	49,115	(44,658)	16,429	
TRUSTS AND BEQUESTS					
A Graham Trust	3	1	-	4	For the upkeep of a specific area of Karori Cemetery
A W Newton request	315	160	(150)	325	For the benefit of art (Fine Arts Wellington), education (technical and other night schools) and athletics (rowing)
E A McMillan Estate	6	-	-	6	For the benefit of the public library
E Pengelly Bequest	13	5	-	18	For the purchase of children's books
F L Irvine Smith Memorial	7	2	-	9	For the purchase of books for the Khandallah Library
Greek NZ Memorial Association	5	2	-	7	For the maintenance and upgrade of the memorial
Kidsarus 2 Donation	3	1	-	4	For the purchase of children's books
Kirkcaldie and Stains Donation	17	-	-	17	For the beautification of the BNZ site
QEII memorial Book Fund	19	10	-	29	For the purchase of books on the Commonwealth
Schola Cantorum Trust	6	3	-	9	For the purchase of musical scores
Terawhiti Grant	10	-	-	10	To be used on library book purchases
Wellington Beautifying Society Request	14	-	(14)	-	Used towards "the Greening of Taranaki Street" project
Total trusts and bequests	418	184	(164)	438	
Total restricted funds	12,389	49,299	(44,822)	16,867	

Summary of Significant Accounting Policies

Reporting entity

Wellington City Council is a territorial local authority governed by the Local Government Act 2002.

The primary objective of the Council is to provide goods or services for community or social benefits rather than making a financial return. As a public entity as defined under the Public Audit Act 2001, for the purposes of financial reporting, the Council is classed as a Public Sector Public Benefit Entity.

These draft prospective financial statements are for Wellington City Council (the Council) as a separate legal entity. Consolidated prospective financial statements comprising the Council and its controlled entities (subsidiaries), joint ventures and associates have not been prepared.

Basis of preparation

Public Benefit Entity Financial Reporting Standard 42 Prospective Financial Statements (PBE FRS 42)

The Council has complied with PBE FRS 42 in the preparation of these prospective financial statements. In accordance with PBE FRS 42, the following information is provided:

(i) Description of the nature of the entity's current operation and its principal activities

The Council is a territorial local authority, as defined in the Local Government Act 2002. The Council's principal activities are outlined within this Long-term Plan.

(ii) Purpose for which the prospective financial statements are prepared

It is a requirement of the Local Government Act 2002 to present prospective financial statements that span 1 year and include them within the Long-term Plan. This provides an opportunity for ratepayers and residents to review the projected financial results and position of the Council.

(iii) Bases for assumptions, risks and uncertainties

The financial information has been prepared on the basis of best estimate assumptions as the future events which the Council expects to take place. The Council has considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined within this Long-term Plan.

(iv) Cautionary Note

The financial information is prospective. Actual results are likely to vary from the information presented, and the variations may be material.

(iv) Other Disclosures

These prospective financial statements were adopted, as part of the assumptions that form the 2015-2025 Long-term Plan consultative documents, for issue on XX XXXX 2015 by Wellington City Council. The Council is responsible for the prospective financial statements presented, including the assumptions underlying prospective financial statements and all other disclosures. The Long-term Plan is prospective and as such contains no actual operating results.

Statement of compliance