

**Absolutely Positively
Wellington City Council**

Me Heke Ki Pōneke

Ordinary Meeting of Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee Ngā Meneti | Minutes

9:30 am Rātū, 17 Hakihea 2024
9:30 am Tuesday, 17 December 2024
Ngake (16.09), Level 16, Tahiwī
113 The Terrace
Pōneke | Wellington



PRESENT

Mayor Whanau

Deputy Mayor Foon

Councillor Abdurahman

Councillor Apanowicz (Deputy Chair)

Councillor Brown

Councillor Calvert

Councillor Chung

Councillor Free

Pouiwi Hohaia

Pouiwi Kelly

Councillor Matthews (Chair)

Councillor McNulty

Councillor O'Neill

Councillor Pannett

Councillor Randle

Councillor Rogers

Councillor Wi Neera

Councillor Young

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1. Meeting Conduct

The Chairperson declared the meeting (hui) open at 9:36am.

1.2 Apologies

Moved Councillor Matthews, seconded Councillor Apanowicz

Resolved

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Accept the apologies received from Councillor Calvert for lateness.

Carried

1.3 Conflict of Interest Declarations

No conflicts of interest were declared.

1.4 Confirmation of Minutes

Moved Councillor Matthews, seconded Councillor Apanowicz

Resolved

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Approves the minutes of the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee Meeting held on 11 December 2024, having been circulated, that they be taken as read and confirmed as an accurate record of that meeting.

Carried

1.5 Items not on the Agenda

There were no items not on the agenda.

1.6 Public Participation

There was no public participation.

2. General Business

(Councillor Calvert joined the hui at 9:39am.)
(Councillor Calvert left the hui at 9:56am.)
(Councillor Calvert joined the hui at 10:05am.)

A.1 Council submission for the Principles of the Treaty of Waitangi Bill

Moved Mayor Whanau, seconded Deputy Mayor Foon

Resolved

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Receive the information.
2. Approve the submission.
3. Agree to delegate authority to the Chief Executive to make amendments to the draft submission (Attachment 1) to reflect any feedback of the Kōrau Tōtōpū | Long-Term Plan, Finance and Performance Committee.

Carried

A division was called for, voting on which was as follows:

For:

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Rogers, Councillor Wi Neera

Against:

Councillor Chung, Councillor Randle, Councillor Young

Majority Vote: 15:3

Carried

The hui adjourned at 10:37am and returned at 10:50am with all members present.

(Councillor Wi Neera left the hui at 11:16am.)

(Councillor McNulty left the hui at 11:27am.)

(Councillor Wi Neera joined the hui at 11:30am.)

(Councillor McNulty joined the hui at 11:30am.)

The hui adjourned at 11:45am and returned at 12pm with all members present.

2.1 LTP Amendment Options, Draft Budget, and 2025/26 Annual Plan Draft Budget Variances

Moved Mayor Whanau, seconded Councillor Apanowicz

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. **Receive** the information.

2025/26 Annual Plan budget and variances

2. **Note** that there are a number of budget variances that have emerged since the LTP budget was adopted in June 2024 as a result of inflationary pressures or further information.
3. **Note** the draft forecast rates increase as outlined in the body of the report. ~~and that more detail on the budget including mitigations will be provided at the 13 February 2025 Committee meeting.~~

- 3A. Direct officers to provide more detail on the budget including mitigations at the 13 February 2025 Committee meeting with the aim of achieving a rates rise below 12.8% (including the sludge levy) for the 2025/26 year.
4. **Agree** to the new parklet fee structure – charging a flat fee plus a square metre charge.
5. **Note** that the following matters will be brought to Committee for consideration alongside the consultation material in February 2025:
- Wellington Water Ltd increased investment request for the 2025/26 year.
 - Update to the Rating Policy regarding Short Term Accommodation providers.
 - Update on asset revaluations impacting the 2025/26 Annual Plan.
 - Councillor request for information on impact and options for fully funding operating costs.
 - Fees and user charges.
 - Options for remediation of the Begonia House.

Investment in Business Improvement Districts

6. **Note** that, due to significant financial constraints including those arising from amendments to the LTP, reallocation of funding for further investment in Business Improvement Districts (BIDs) is not anticipated to achieve the intended impact or align with Council priorities at this time.
7. **Agree** to continue supporting BIDs within existing policy frameworks, encouraging their self-sustainability and fostering collaboration with BID representatives to ensure a balanced approach to suburban and central city investment in future planning cycles.

Suburban Parking

8. **Note** that:
- the committee requested officers to investigate and report back on options for suburban parking where demand for parking is high in accordance with the parking policy and this is outlined in the body of the report;
 - no additional revenue has been forecasted in the current draft budget from any options; and
 - if the Committee makes a decision to introduce suburban parking charging, this will be included in the draft budget for the February Committee meeting.

LTP Amendment options – under insurance and lack of diversification

9. **Agree** the options, and preferred option, for the Consultation Document being:
- Option 1 (Council preferred, including no airport share sale): Self-insurance using large/maximum debt headroom plus a small investment fund.
 - Option 2 (Not Council preferred, including partial airport share sale): Self-insurance using a combination of debt headroom and a medium investment fund.

- c) Option 3 (Status quo, Not Council preferred, including full airport share sale): Self-insurance using a large/maximum investment fund plus existing debt headroom.
10. **Note** that these options will be worked up into detail necessary to meet legislative requirements and brought back to committee on 13 February 2025 for confirmation.
 11. **Note** that all options include an assumed sale of a small set of ground leases and that there are 'live' opportunities to sell nine ground leases in the short term.
 12. **Agree** that officers initiate negotiations to sell nine ground leases to provide initial capitalisation of a disaster resilience fund.
 13. **Agree** to recommend to Council that the ground leases be sold, subject to officers achieving a total sales value of at least \$68m, the combined valuation on the sites.
 14. **Note** officers will commence negotiation on these sites in the new year and expect to bring a recommendation to Council to execute the sales in March 2025.
 15. **Note** that officers are considering whether the proposed transport project changes for City Streets and Bike Network Plan need to be included as consultation items and will advise further in February.
 16. **Note** that advice will be brought back to committee in February on options to use the sale of carbon credits to part fund a Disaster Resilience Fund.
 17. **Note** that aside from the capital projects resolved by the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee meeting of 26 November 2024 to stop or be rephased, the remaining projects in Council's capital programme are progressing.

LTP options – water reform and water meters

18. **Note** that the Local Water Done Well reform consultation options agreed at committee on 11 December are intended to be consulted on as part of the LTP Amendment consultation process.
19. **Note** that the budget will be updated by February to reflect the preferred water reform option.

LTP budget

20. **Note** the updated LTP capital budget programme as Attachment 1 reflects the decision of the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee of 26 November 2024.
21. **Note** the draft forecast rates increase as outlined in the body of the report, and that more detail on the budget including mitigations will be provided at the 13 February 2025 Committee meeting.
22. **Request officers to provide advice on the future of the WCC art collection, including its potential partial sale and options which provide greater public access to the collection.**

Secretarial note: The motion moved differed from the recommendations in the officers' report, as marked in red.

(Pouiwi Kelly left the hui at 12:28pm.)

(Pouiwi Kelly joined the hui at 12:30pm.)

The hui adjourned at 12:31pm and returned at 1:03pm with the following members present: Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Mayor Whanau, Councillor Wi Neera, and Councillor Young.

(Councillor Chung joined the hui at 1:04pm.)

Moved Councillor Calvert, seconded Councillor McNulty, the following amendment

Resolved

- 3B. Instruct officers to bring an option, in line with providing more budget details, for the 2025/26 Annual Plan budget in February 2025 with a maximum 10% rates increase that adheres to the following principles;
- a. Prioritise efficiencies over savings from cuts to levels of service.
 - b. The need for the organisation to prioritise and focus on core activities.
 - c. Test that user pays charges are fair and justifiable.
 - d. Review phasing of transport projects that no longer attract Waka Kotahi funding.
 - e. Review financial settings including that of depreciations and ensuring a balanced budget with no debt funding of operational expenditure.

Lost

A division was called for, voting on which was as follows:

For:

Councillor Abdurahman, Councillor Calvert, Councillor Chung, Councillor McNulty, Councillor Randle, Councillor Young

Against:

Mayor Whanau, Councillor Apanowicz, Councillor Brown, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Rogers, Councillor Wi Neera

Majority Vote: 6:12

Lost

(Councillor Calvert left the hui at 2:02pm.)

(Councillor Calvert joined the hui at 2:03pm.)

Moved Mayor Whanau, seconded Councillor Apanowicz, the substantive motion

Resolved

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. **Receive** the information.

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2. **Note** that there are a number of budget variances that have emerged since the LTP budget was adopted in June 2024 as a result of inflationary pressures or further information.
3. **Note** the draft forecast rates increase as outlined in the body of the report. ~~and that more detail on the budget including mitigations will be provided at the 13 February 2025 Committee meeting.~~
- 3A. **Direct officers to provide more detail on the budget including mitigations at the 13 February 2025 Committee meeting with the aim of achieving a rates rise below 12.8% (including the sludge levy) for the 2025/26 year.**
4. **Agree** to the new parklet fee structure – charging a flat fee plus a square metre charge.
5. **Note** that the following matters will be brought to Committee for consideration alongside the consultation material in February 2025:
 - a) Wellington Water Ltd increased investment request for the 2025/26 year.
 - b) Update to the Rating Policy regarding Short Term Accommodation providers.
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 - d) Councillor request for information on impact and options for fully funding operating costs.
 - e) Fees and user charges.
 - f) **Options for remediation of the Begonia House.**

Investment in Business Improvement Districts

6. **Note** that, due to significant financial constraints including those arising from amendments to the LTP, reallocation of funding for further investment in Business Improvement Districts (BIDs) is not anticipated to achieve the intended impact or align with Council priorities at this time.
7. **Agree** to continue supporting BIDs within existing policy frameworks, encouraging their self-sustainability and fostering collaboration with BID representatives to ensure a balanced approach to suburban and central city investment in future planning cycles.

Suburban Parking

8. **Note** that:
 - a) the committee requested officers to investigate and report back on options for suburban parking where demand for parking is high in accordance with the parking policy and this is outlined in the body of the report;
 - b) no additional revenue has been forecasted in the current draft budget from any options; and
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LTP Amendment options – under insurance and lack of diversification

9. **Agree** the options, and preferred option, for the Consultation Document being:
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10. **Note** that these options will be worked up into detail necessary to meet legislative requirements and brought back to committee on 13 February 2025 for confirmation.
11. **Note** that all options include an assumed sale of a small set of ground leases and that there are 'live' opportunities to sell nine ground leases in the short term.
12. **Agree** that officers initiate negotiations to sell nine ground leases to provide initial capitalisation of a disaster resilience fund.
13. **Agree** to recommend to Council that the ground leases be sold, subject to officers achieving a total sales value of at least \$68m, the combined valuation on the sites.
14. **Note** officers will commence negotiation on these sites in the new year and expect to bring a recommendation to Council to execute the sales in March 2025.
15. **Note** that officers are considering whether the proposed transport project changes for City Streets and Bike Network Plan need to be included as consultation items and will advise further in February.
16. **Note** that advice will be brought back to committee in February on options to use the sale of carbon credits to part fund a Disaster Resilience Fund.
17. **Note** that aside from the capital projects resolved by the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee meeting of 26 November 2024 to stop or be rephased, the remaining projects in Council's capital programme are progressing.

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19. **Note** that the budget will be updated by February to reflect the preferred water reform option.

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21. **Note** the draft forecast rates increase as outlined in the body of the report, and that more detail on the budget including mitigations will be provided at the 13 February 2025 Committee meeting.

22. Request officers to provide advice on the future of the WCC art collection, including its potential partial sale and options which provide greater public access to the collection.

Carried

Secretarial note: Voting was taken in parts, with clauses 9, 9a, 9b, 9c, and 22 each taken separately, and all remaining clauses taken together. All clauses were carried. A division was called for, voting on which was as follows:

Clause 9

For:

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Wi Neera, Councillor Young

Against:

Majority Vote: 18:0

Carried

Clause 9a

For:

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Councillor Chung, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Randle, Councillor Rogers, Councillor Wi Neera, Councillor Young

Against:

Majority Vote: 18:0

Carried

Clause 9b

For:

Mayor Whanau, Councillor Apanowicz, Councillor Brown, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Rogers, Councillor Wi Neera

Against:

Councillor Abdurahman, Councillor Calvert, Councillor Chung, Councillor McNulty, Councillor Randle, Councillor Young

Majority Vote: 12:6

Carried

Clause 9c

For:

Mayor Whanau, Councillor Apanowicz, Councillor Brown, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor O'Neill, Councillor Pannett, Councillor Rogers, Councillor Wi Neera

Against:

Councillor Abdurahman, Councillor Calvert, Councillor Chung, Councillor McNulty, Councillor Randle, Councillor Young

Majority Vote: 12:6

Carried

Clause 22

For:

Mayor Whanau, Councillor Apanowicz, Councillor Brown, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor O'Neill, Councillor Rogers

Against:

Councillor Abdurahman, Councillor Calvert, Councillor Chung, Councillor McNulty, Councillor Pannett, Councillor Randle, Councillor Wi Neera, Councillor Young

Majority Vote: 10:8

Carried

All remaining clauses

For:

Mayor Whanau, Councillor Abdurahman, Councillor Apanowicz, Councillor Brown, Councillor Calvert, Deputy Mayor Foon, Councillor Free, Pouiwi Hohaia, Pouiwi Kelly, Councillor Matthews, Councillor McNulty, Councillor O'Neill, Councillor Pannett, Councillor Rogers, Councillor Wi Neera, Councillor Young

Against:

Councillor Chung, Councillor Randle

Majority Vote: 16:2

Carried

2.2 Decision register updates and upcoming reports

Moved Councillor Matthews, seconded Councillor Apanowicz

Resolved

That the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee:

1. Receive the information.

Carried

The hui concluded at 2:13pm.

Authenticated: _____

Chair