Absolutely Positively
Wellington City Council

Me Heke Ki Pōneke

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

Rārangi Take | Agenda

9:30 am Rāpare, 13 Huitanguru 2025
9:30 am Thursday, 13 February 2025
Ngake (16.09), Level 16, Tahiwi
113 The Terrace
Pōneke | Wellington

MEMBERSHIP

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

Have your say!

You can make a short presentation to the Councillors, Committee members, Subcommittee members or Community Board members at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 04-499-4444, emailing public.participation@wcc.govt.nz, or writing to Democracy Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number, and the issue you would like to talk about. All Council and committee meetings are livestreamed on our YouTube page. This includes any public participation at the meeting.

AREA OF FOCUS

The Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee has responsibility for:

1) Long-term planning and annual planning.
2) Financial and non-financial performance oversight in relation to the long-term plan and annual plan.
3) Financial oversight.
4) Procurement policy.
5) Non-strategic asset investment and divestment as provided for through the long-term plan (recommending to Council where matters are not provided for in the long-term plan).
6) Council-controlled Organisation oversight and performance.
7) Council-controlled Organisation director review and appointments.
8) WellingtonNZ oversight and performance.
9) Approve asset management plans.

To read the full delegations of this committee, please visit wellington.govt.nz/meetings.

Quorum: 9 members

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1. Meeting Conduct

1.1 Karakia

The Chairperson will open the hui with a karakia.

Whakataka te hau ki te uru,	Cease oh winds of the west
Whakataka te hau ki te tonga.	and of the south
Kia mākinakina ki uta,	Let the bracing breezes flow,
Kia mātaratara ki tai.	over the land and the sea.
E hī ake ana te atākura.	Let the red-tipped dawn come
He tio, he huka, he hauhū.	with a sharpened edge, a touch of frost,
Tihei Mauri Ora!	a promise of a glorious day

At the appropriate time, the following karakia will be read to close the hui.

Unuhia, unuhia, unuhia ki te uru tapu nui	Draw on, draw on
Kia wātea, kia māmā, te ngākau, te tinana, te wairua	Draw on the supreme sacredness To clear, to free the heart, the body
I te ara takatū	and the spirit of mankind
Koia rā e Rongo, whakairia ake ki runga	Oh Rongo, above (symbol of peace)
Kia wātea, kia wātea	Let this all be done in unity
Āe rā, kua wātea!	

1.2 Apologies

The Chairperson invites notice from members of apologies, including apologies for lateness and early departure from the hui, where leave of absence has not previously been granted.

1.3 Conflict of Interest Declarations

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

1.4 Confirmation of Minutes

The minutes of the meeting held on 17 December 2024 will be put to the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee for confirmation.

1.5 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows.

Matters Requiring Urgent Attention as Determined by Resolution of the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee.

The Chairperson shall state to the hui:

1. The reason why the item is not on the agenda; and
2. The reason why discussion of the item cannot be delayed until a subsequent hui.

The item may be allowed onto the agenda by resolution of the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee.

Minor Matters relating to the General Business of the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee.

The Chairperson shall state to the hui that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent hui of the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee for further discussion.

1.6 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any hui of the Council or committee that is open to the public. Under Standing Order 31.2 a written, oral, or electronic application to address the hui setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the hui concerned, and subsequently approved by the Chairperson.

Requests for public participation can be sent by email to public.participation@wcc.govt.nz, by post to Democracy Services, Wellington City Council, PO Box 2199, Wellington, or by phone at 04 499 4444 and asking to speak to Democracy Services.

2. General Business

TE TOI MAHANA QUARTERLY PERFORMANCE REPORT

Kōrero taunaki | Summary of considerations

Purpose

1. This report attaches the Annual Performance Report including Quarter 2 (October – December 2024) from Te Toi Mahana for the Kōrau Tōtōpū | Long-Term Plan, Finance, and Performance Committee.

Strategic alignment

2. The strategic outcomes achieved by a successful and sustainable Community Housing Provider (CHP) such as Te Toi Mahana include building strong thriving communities that contribute to the wellbeing of all Wellingtonians housed by the CHP.
3. In partnership with the Trust, we provide safe and affordable places that people can call home, while being able to easily access the city they live in.
4. Lastly, we are committed to working alongside all mana whenua partners to recognise the importance of te ao Māori. Through our relationships we acknowledge both the whānau who live in our properties, and also demonstrate our care for whenua on which our whare are built.

Relevant previous decisions

5. Nil

Financial considerations

☐ Nil	☒ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

Risk

☒ Low	☐ Medium	☐ High	☐ Extreme

Authors	Paul Davies, Community Housing Relationship Lead Iestyn Burke, Manager, Property & Capital Projects
Authoriser	Jenny Chetwynd, Chief Infrastructure Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion:

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

1. Receive the attached Performance Report.

Whakarāpopoto | Executive Summary

6. At the 2 March 2023 Kōrau Mātinitini | Social, Cultural, and Economic Committee meeting it was resolved as a part of the establishment of Te Toi Mahana (the Trust), that the Trust would provide reporting to Council on a 3 monthly basis on key financial metrics for the first two years, and full reporting on a 6 monthly basis.
7. Through the Relationship and Reporting Agreement between Council and the Trust there are further reporting metrics the Trust is required to provide. These are contained in the attached Report from Te Toi Mahana.

Takenga mai | Background

8. At the 2 March 2023 Kōrau Mātinitini | Social, Cultural, and Economic Committee meeting it was resolved as a part of the establishment of Te Toi Mahana (the Trust), that the Trust would provide reporting to Council on a 3 monthly basis on key financial metrics for the first two years, and full reporting on a 6 monthly basis.
9. This is the sixth report provided to Council with previous reports received November 2023, March, May, August and September 2024. It is the second of four reports for FY2024/25.
10. Through the various Agreements in place between Council and the Trust, there are reporting metrics the Trust is required to provide. These are contained in the attached Report.
11. Te Toi Mahana is established as a Council Organisation under the Local Government Act. This means the Council has an important monitoring role to ensure the Trust is achieving the outcomes the Council sought in establishing the Trust. When the Council established the Trust, it primarily sought to achieve three key objectives including:
    - Increased supply of social housing in Wellington
    - Improved rental affordability for social housing tenants
    - Improved financial sustainability of the housing portfolio and shared financial position of Trust and Council
12. Te Toi Mahana has been established as an independent charitable trust and Council has a monitoring role that is focused on ensuring it can meet its obligations under the Local Government Act in respect of Te Toi Mahana's status as a Council Organisation.

Kōrerorero | Discussion

13. The Trust took over the provision of tenancy management, community development activities, and minor maintenance services on 1 August 2023.

14. Since the Trust commenced operations, the focus between the two organisations has been on the operational and strategic relationship between the parties.

15. Officers are pleased to note the positive feedback received via the Trust regarding the positive operational working relationship between Council and Te Toi Mahana.

Governance Arrangements

16. The following joint-agency Committees have been established, with Terms of Reference (TOR) and meeting frequency agreed:

    a. **Relationship Management Group**

    This group is formed under the Relationship and Reporting Agreement which acknowledges a shared intention to establish a long-term and mutually beneficial relationship based on a number of relationship principles. The group meets monthly and discusses ongoing operational and strategic matters between Council and the Trust.

    The Relationship Management Group receives reporting from the Trust and is the forum for officers to discuss with the Trust reporting metrics and any other matters relating to the Agreements in place between the organisations.

    b. **Major Maintenance & Development Fund (MMDF) Committee**

    The purpose of this Committee is to make recommendations to the Chief Infrastructure Officer in relation to expenditure from the Fund.

Financial Performance and Reporting

17. In addition to the reporting requirements in the attached report, as required by the Council resolution, a ring-fenced fund has been established to receive the Trust lease payments, and to meet agreed costs; the MMDF.

18. Reporting on the MMDF is shared with the Trust via the Major Maintenance & Development Fund Committee and is governed by its TOR and in the Agreements between the parties.

19. The Lease Agreement between Council and Trust prescribes the contributions and expenditure allowed from the MMDF and is expected to cover certain costs of ownership associated with the housing assets. The costs paid from the fund includes maintenance costs and other costs of ownership including rates and insurance.

20. The MMDF surplus at the end of December 2024 sits at approx. $2.274M. These funds have been earmarked for activities that support the maintenance of the housing portfolio such as asset condition survey work and minor slip remediation

21. We are pleased to note a current operating surplus reported by the Trust of $1.65M YTD for FY2024/25, compared to the $1.16M budgeted, and an associated underspend of $195K against their approved operating budget.

22. We finally note the Trust has engaged external expertise to develop options for the use of the Existing Tenant Support Fund of $7.42M Three Waters Better Off funding provided to the Trust shortly after it was established. These funds are ringfenced within the Trusts financial accounts, and are held in a separate, interest-bearing account. We

also note the timely review of the Housing Policy, transferred from Council at the time the Trust was established.

Other Matters

23. Council acknowledges and welcomes the appointment of a new Chief Executive. We remain committed to working with the Trust to achieve the mutually beneficial outcomes and are excited to engage with Mr Manns as he leads the organisation through its next phases.

24. Delivery of the first tranche of properties in the Housing Upgrade Programme Phase 2 (HUP2) has commenced. Tranche One compromises of 23 properties and is expected to be completed by the end of Q3 2024/25. The first three family homes have been completed and handed to Te Toi Mahana for tenanting.

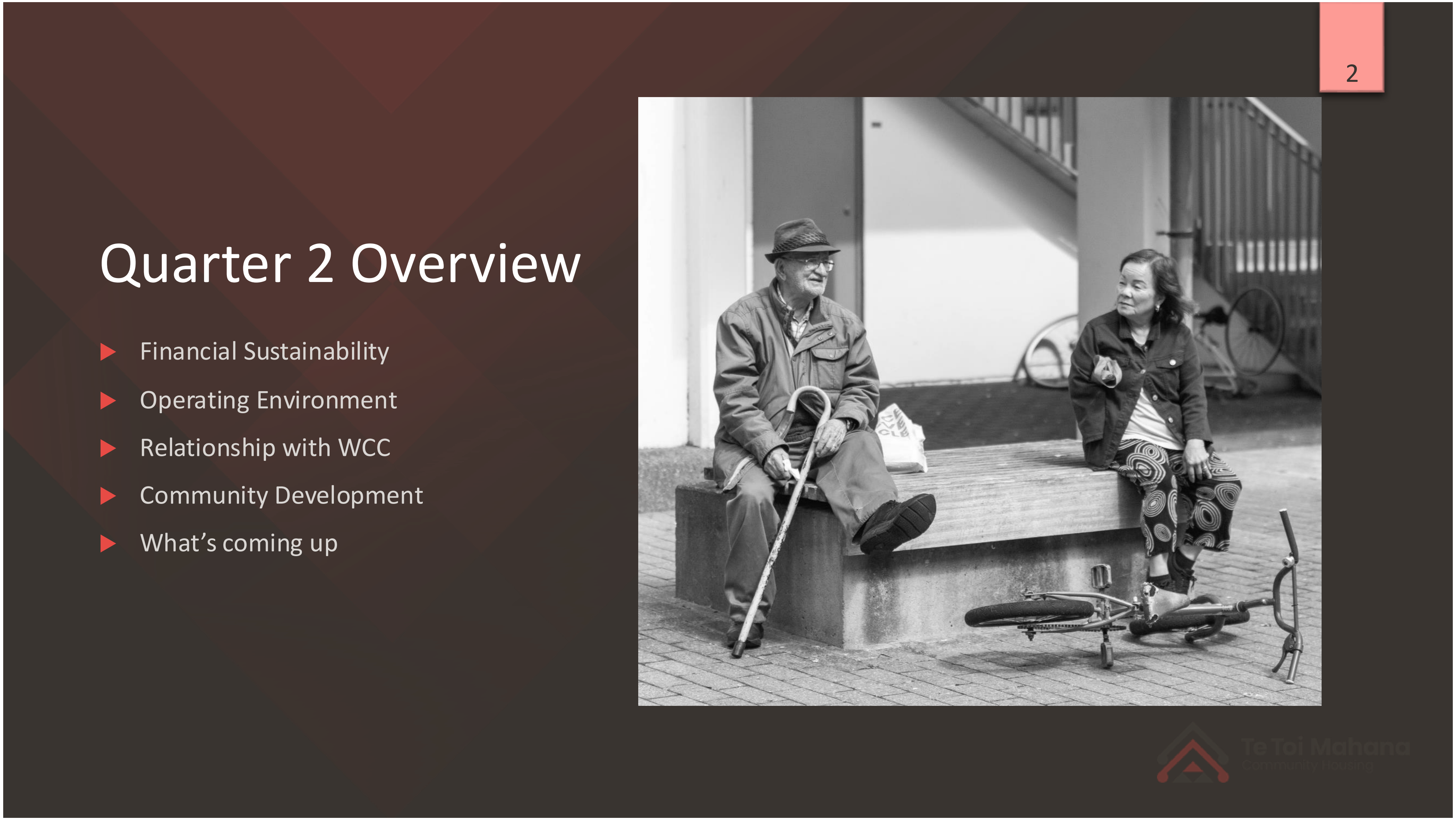
Attachments

Attachment 1.	Te Toi Mahana Performance Report to Wellington City Council Annual Report Quarter 2: October – December 2024	Page 13

Te Toi Mahana
Community Housing

Quarterly Performance Report to Wellington City Council

QUARTER 2: OCTOBER – DECEMBER 2024



Quarter 2 Overview

- Financial Sustainability
- Operating Environment
- Relationship with WCC
- Community Development
- What's coming up

Financial Sustainability

- Te Toi Mahana has recorded a surplus of $1.65M compared to budget of $1.16M for the first six months of the Financial Year (this is a great result compared to the previous year's six-monthly surplus of $0.057M).
- This favourable result is primarily due to higher Tenancy Income to budget driven by occupancy levels above 97%, and higher than budgeted IRRS revenue for the first six months of the year.
- Operating costs have been managed well throughout the quarter with an underspend of $195K compared to budget.
- FY23/24 Audit has been completed with no significant matters raised.

Te Toi Mahana
Community Housing

Operating Environment

- The Residential Tenancies Amendment Act 2024 was passed on 17 December 2024. It reintroduced 90-day 'no-cause' terminations for landlords, made technical changes to modernise how notices and documents are given, and introduced other changes to a range of tenancy areas - including rules regarding smoking and pets. Relevant internal policies are being reviewed in light of these changes.
- Housing Minister Chris Bishop signaled the intention of the current government to progress key workstreams for the CHP sector, with a view to improving both the funding and development environments for CHPs.
- Te Toi Mahana continues to work with MHUD to confirm if the timeframe for the utilisation of the initial allocation of 380 IRRS places can be carried forward into future financial periods.

Te Toi Mahana
Community Housing

Relationship with WCC

- Te Toi Mahana continues to support WCC in planning for the HUP2 and Earthquake Strengthening workstreams.
- WCC and Te Toi Mahana are working together with the preferred Facilities Maintenance (FM) provider towards the introduction of new FM services on 1 July 2025.
- Board Trustee and WCC Councillor Rebecca Matthews attended the Tenant Focus Policy group on 6 December 2024 .
- In November, WCC Libraries kindly gifted 35 pre-loved tablets to Te Toi Mahana, for use by the team and tenant community.

Community Development

- In November 2024, a Te Toi Mahana staff member and two tenants jointly presented at the Community Housing Aotearoa (CHA) Conference in Auckland. Their presentation was about a māra kai (food garden) at Pukehīnau Apartments. The Te Toi Mahana Community Development team supported the establishment of the māra, partnering with local composting service Kaicycle and securing funding from the MSD Puta Ora Food Security Fund.
- Otago University researchers were engaged to evaluate the wellbeing impacts of the māra, as part of the Public Housing and Urban Regeneration (PHUR) research programme. They identified several themes during semi-structured interviews including how negative influences and factors are mitigated by the gardens providing a positive place. The research report will be available later in 2025.
- The two tenants, Marama and Richard, shared their lived experiences and inspired the attendees with the power and knowledge that tenants bring. Richard stated that “Sometimes, all Tenants need is a bit of guidance and support to truly thrive” – Richard.

The workshop was well received by Conference attendees, with positive feedback emphasising its uniqueness as the only session among 36 workshops led by tenants, offering valuable tenant perspectives.

What's coming up

- New Te Toi Mahana Chief Executive Officer Jonathan Manns will start his role on 10 February 2025. Jon brings with him significant and varied expertise in New Zealand, as well as overseas, and was most recently Head of Strategic Advisory, Government and Public Sector at JLL. In his new role, Jon will focus on delivering new development to increase the housing stock of Te Toi Mahana, leveraging the opportunities provided by the gift of properties and funds by Wellington City Council, finalising a new facilities maintenance contract, supporting tenants, fostering innovation, and driving sustainable growth.
- Te Toi Mahana is working with policy and regulatory specialists Allen and Clarke to develop options to be considered by the Board for the Existing Tenant Support Fund and to review our Housing Policy.

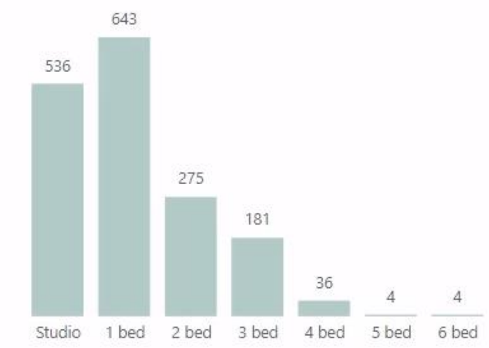
Te Toi Mahana
Community Housing

Performance Measures

REPORTING AND RELATIONSHIP AGREEMENT/ FUNDING AGREEMENT

Facts at a Glance

Property Size Breakdown

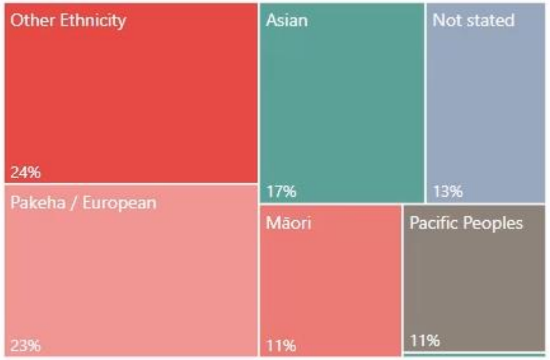


1634
Households

2773
Tenants

* excluding properties leased to other Community Housing Providers (CHPs)

Ethnic Group

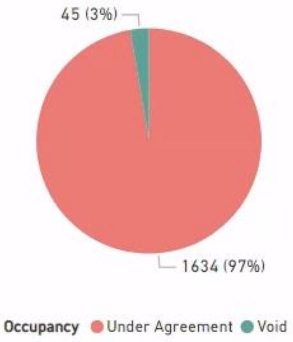


43
Community Activities

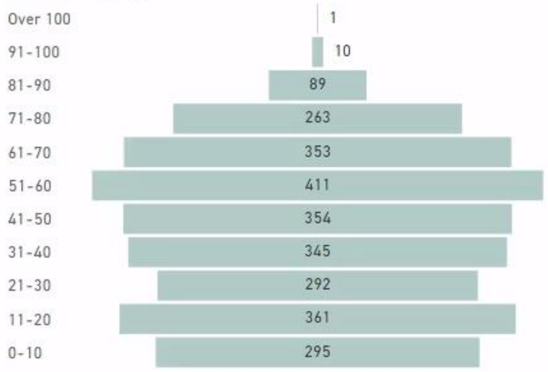
40+
Languages Spoken

32%
10+ Years in Current Home

Occupancy



Tenants by Age



Te Toi Mahana
Community Housing

Performance Areas

The following reporting metrics provide the information required in the Relationship and Reporting Agreement, Funding Agreement and Lease Agreement between WCC and Te Toi Mahana:

1. Tenant Wellbeing
2. Financial Sustainability
3. Asset Service Delivery
4. Asset Availability
5. New Supply Delivery
6. Risk Reporting
7. Health and Safety
8. Portfolio and Tenant Information
9. Other Measures

Te Toi Mahana
Community Housing

1. Tenant Wellbeing

The CHP will support improvement in tenant outcomes through quality tenancy management and access to safe, healthy, affordable housing.

Document	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	3	Tribunal outcome: Number of tenancy tribunal findings found for and against the CHP	27 granted 0 dismissed	12 granted 0 dismissed	NA	A total of 31 applications were made to the Tenancy Tribunal. 12 were successful at either mediation or Tribunal hearing and 0 were dismissed. Additionally: 1 application was withdrawn due to early resolution. 14 are currently scheduled for mediation or hearing, 2 are yet to be scheduled and 1 application is under assessment. There were 0 findings against Te Toi Mahana at the Tenancy Tribunal. 1 Te Toi Mahana application for antisocial behaviour – termination and possession granted. The tenant then vacated the property.
RRA	4	Evictions: Number of tenant evictions	0		0	
RRA	5	Complaints: Number of tenant complaints received	3	3	NA	Three 14-day notices issued to Te Toi Mahana. One about staff which was investigated and found to be unjustified. One about maintenance which was resolved. One about the behaviour of another tenant ,which was investigated and found to be unjustified.

1. Tenant Wellbeing cont...

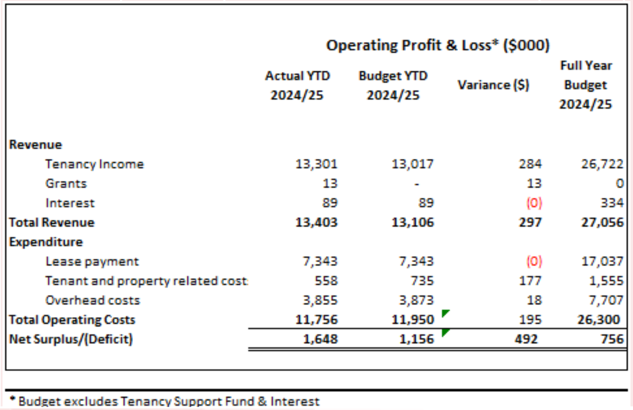
Document	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	7	Healthy Homes: Number of properties that comply with Healthy Homes standards. Healthy Homes includes heating, moisture ingress, draught stopping, ventilation and insulation. WCC Capital Works are responsible for the Healthy Homes project. All properties leased by Te Toi Mahana are Healthy Homes compliant. Future compliance to the Healthy Homes Standards are reliant on continued planned maintenance and reactive service requests from tenants. This has been a significant programme for both the Council and the Trust who have worked collaboratively to achieve compliance with Healthy Homes Standards on time.	1680	1680	1680	All properties with active tenancies are Healthy Homes compliant as of December 2024.

Te Toi Mahana
Community Housing

2. Financial Sustainability

The CHP will operate in a financially sustainable manner and seek to maximise surplus to support reinvestment in the portfolio while maintaining rental affordability for tenants.

Document	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	8	Actual and budgeted revenue and expenditure incl: a) Operational Expenses, b) Lease Payments, c) Maintenance - YTD and FY Forecast	793	1,648	1,156	As of December 2024, YTD the Trust recorded a surplus of $1.65M compared to budget of $1.16M. This surplus is a great result compared to the previous year's six-monthly surplus of $0.057M. Note this surplus is before Variable rent and adjustments to the Base rent which is calculated at the end of the year. At the end of the year, WCC will receive approx. 80% of the net surplus as Variable Rent which will be paid into the MMDF. This favourable result is primarily due to higher Tenancy Income to budget driven by occupancy levels above 97%, and higher than budgeted IRRS revenue for the first six months of the year. Expenditure is tracking at an underspend of $195K as of December 2024.



Operating Profit & Loss* ($000)

	Actual YTD 2024/25	Budget YTD 2024/25	Variance ($)	Full Year Budget 2024/25
Revenue				
Tenancy Income	13,301	13,017	284	26,722
Grants	13	-	13	0
Interest	89	89	(0)	334
Total Revenue	**13,403**	**13,106**	**297**	**27,056**
Expenditure				
Lease payment	7,343	7,343	(0)	17,037
Tenant and property related cost	558	735	177	1,555
Overhead costs	3,855	3,873	18	7,707
Total Operating Costs	**11,756**	**11,950**	**195**	**26,300**
Net Surplus/(Deficit)	**1,648**	**1,156**	**492**	**756**

* Budget excludes Tenancy Support Fund & Interest

2. Financial Sustainability cont...

Document	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	9	IRRS Tenancies: Number and % of IRRS places contracted as a proportion of all tenants in the leased portfolio	38	30	33	The increase in IRRS places is less than the previous quarter, due to marginally less IRRS places being filled combined with higher turnover rate of IRRS tenants. The higher turnover rate is being monitored to understand any trends, with the aim of improving new tenant placement and supporting lower turnover going forward.
RRA	10	Rent Arrears: % of tenants in rent arrears over 21 days	3.94%	5.63%	4%	The number of tenants in significant rent arrears has increased over the quarter. The rent increase in November 2024, combined with the expiration of subsidies has led to an increase in tenants underpaying their weekly rent. Additional financial pressure during the holiday season also resulted in missed payments during the period, further increasing arrears. The specialised rent team are actively following up on rent arrears, working where possible with MSD to organise lump sum payments, and making applications for mediation at the Tenancy Tribunal. They have also processed an increase in ARL applications.
RRA	13	Forecast and actuals for the components of the Annual Rent payable to the Council and Operating Costs Gainshare (as per Lease Agreement)	$3.69M	$7.34M	$3.69M	Base Rent of $7.34M is on budget for the quarter.

Te Toi Mahana
Community Housing

3. Asset Service Delivery

The CHP will respond to maintenance requests in a timely manner.

Document	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	14	Response time - Emergency: Response time to emergency maintenance requests within agreed timeframes	1-49% 2-58%	1-47% 2-58%	95% 95%	**1. Onsite target: 1 hour** **2. Completion target: 1 day**
RRA	15	Response time - Urgent: Response time to urgent maintenance requests within agreed timeframes	1-66% 2-75%	1-62% 2-70%	95% 95%	**1. Onsite: 4 hours** **2. Completion: 2 Business Day**
RRA	16	Response time - Standard: Response time to standard maintenance requests within agreed timeframes	1-64% 2-74%	1-72% 2-85%	95% 95%	**Onsite: P3 1 Business Days / P4 10 Business Days** **Completion: P3 5 Business Days / P4 20 Business Days**

Summary on Measures:
Maintenance is managed through the WCC Ventia Contract. Response times are recorded in two SLA's with Ventia. 1. Onsite SLA which records time to attend a work order by priority and 2. Completion SLA which records a due time to complete a work order based on priority status. The total number of work orders based on Onsite SLA is 2,025 (Qtr2) with a pass rate of 70%. The total number of work orders based on Completion SLA is 2,012 (Qtr2) with a pass rate of 82%. The Trust is working with WCC on a new Facilities Maintenance contract commencing 1 July 2025, focusing on improving service delivery and response times.

3. Asset Service Delivery cont ...

Response Time: P1 – Emergency

Description: Attend all issues deemed to have a potential impact to:

- Life
- Limb
- Building structure or
- Integrity
- Security
- Environment

Critical works undertaken:

- Fire from toaster at 181 Daniell Street – Fire Engines attended and ensured safety of tenant and property, contractors then cleaned up site and scoped repairs.
- Raw Sewerage leak at Ira Street – Drainage contractors attended, repaired and cleaned up biohazard.
- Burst water pipe (Dux Quest) at Abel Smith Street resulting in major asset damage to apartment below- in process of going through renewal.
- Lift breakdown at Pukehinau requiring parts from overseas. This resulted in 5 days with no lift and security guards called in to assist tenants up and down stairs.
- A staff member fell through rotten external step at Strathmore Court apartments- Staff member ok and contractor attended to repair step and asses remaining stairs for safety.
- 2x bathroom leaks at Pukehinau resulted in 1 x ceiling collapsing and 1x ceiling being compromised.

Response Time: P2 – Urgent

Description: Attend to issues that could impact:

- Operations of a critical or business continuity nature
- Customer experience related to a significant function
- Economic or revenue generating functions
- Reputation

Critical Works undertaken :

- Hanson Court A Block complete loss of power (2-days street fault) – Generator back up provided to keep block and life saving systems operating.
- Locksmith attend Duncan Terrace to secure Main switchboard Room broken into.
- Loss of water supply to 144-148 Daniel Street for 2 days – water tanker brought in, water containers supplied to tenants and Portaloo's provided.
- 19x Broken windows across the portfolio requiring contractors to clean up the hazard of broken glass and ensuring property secured.
- Fire Doors failing to close at Kotuku resulting in a contractor repairing them to safe operation.
- 1x roof leak causing ceiling to be compromised and taken down for safety.

Response Time: P3/P4 – Standard

P3 attend to issues that:

- Do not pose an immediate risk to site or persons
- Causes minor disruption or inconvenience or loss of amenity
- Requires specialised parts or awaiting parts and materials to be delivered

P4 attend to issues that:

- Are not of an urgent nature.
- Can be "bundled" into a package of works that provides a more efficient option for Te Toi Mahana to repair and complete.
- Are requiring investigation as to whether Council approve for the job to proceed and if these can be bundled

4. Asset Availability

The CHP will efficiently ensure that, to the extent possible, portfolio properties are available to rent.

Document	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	18	Number of leased properties (excludes owned properties)	1646	1644	N/A	We have had a marginal decrease in the number of leased properties due to maintenance work being undertaken on two properties.
RRA	19	Occupancy Rate	97.3%	97.4%	97%	Occupancy rate has had a marginal increase from last quarter, as one more property is occupied compared to last quarter.
RRA	20	Void properties:				
		1. Number and list of unoccupied properties	45	44	42	The number of unoccupied properties has been relatively stable with a marginal decrease of one property in Q2. This is a point in time measure of how many properties were unoccupied at the end of the quarter. A faster turnaround of void properties is expected under the new FM contract.
		2. Number of Ready to Let (RTL) properties	13	14	N/A	Ready to Let Properties have had a marginal increase of one property in the quarter. The Pre-tenancy and vacate team work efficiently to place new tenants in ready to let properties. The number of properties that are ready to let includes those that have been viewed or that have viewings booked, and those that are in the early stage of the signup process.

4. Asset Availability cont ...

Document	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	21	Void to Let days (Grouped by number of days)	72	62	10	The void to let days is the total number of days a property is unoccupied between tenancies and saw another reduction this quarter, dropping total time to 62 days from a previous 72 days. During the quarter, month to month void to let times were very consistent, only fluctuating by 4 days between months. The time taken by Te Toi Mahana staff for liaising with prospective tenants, conducting viewings and the sign-up process for new tenants during the first quarter averaged 28 days. This average is expected to stay consistent going forward, because some properties are declined multiple times after viewings, due to prospective tenants finding them unsuitable for their needs.
RRA	22	Properties vacant under development: Number of properties vacant under development, including number of days vacant	NA		NA	Properties held by WCC which have undergone renewal work – have now been leased to Te Toi Mahana.
RRA	23	Properties vacant under repair, including number of days vacant	71	60	NA	60 properties were under repair (including void work). The average number of days these properties have been vacant is 42 days. 7 of these properties are still to be completed.

Te Toi Mahana
Community Housing

5. New Supply Delivery

The CHP will utilise the capitalisation from WCC to progress new supply developments.

Document	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	25	Update on development intentions and quantitative information including new units added/and or planned.	0	0	0	Nothing to report.
RRA	26	Progress update on active development(s) and quantitative information including new units added and/or planned.	0	0	0	Nothing to report.

Transferred Properties

- The 5 Properties were transferred from WCC to Te Toi Mahana on 2 September 2024.
- Zero units are currently void.
- The Trust’s Board continues to actively consider the Te Toi Mahana Property Strategy.

6. Risk Reporting

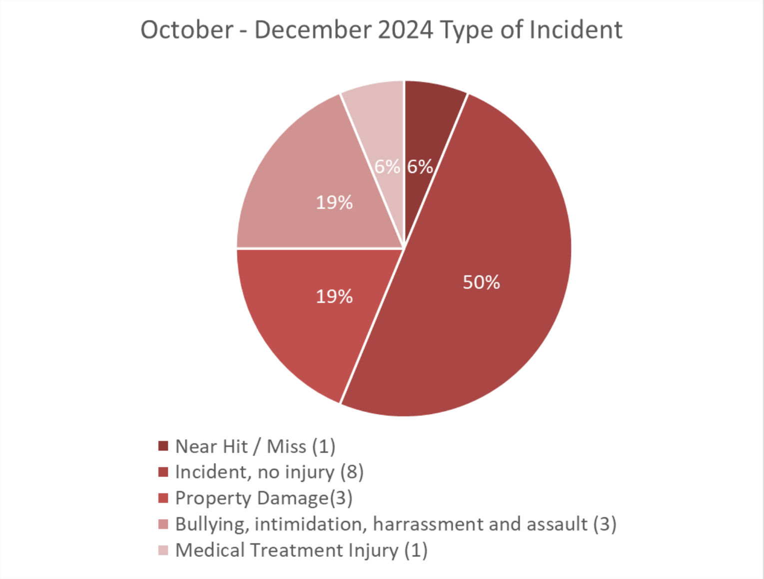
The CHP will report on key short, medium and long-term risks and proposed mitigations.

Document	Performance area	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	Compliance and Governance	27	Risk: Description of key risks and proposed mitigations (narrative measure)			NA	The Board reviewed the Risk Register in December 2024 and recommended small increases to the likelihood, consequence or residual risk ratings for several risks, due to current conditions in our operating environment. Two risks have a high residual risk rating: • **Risk 1 Major event damages our housing portfolio** – Te Toi Mahana continues to work on a Business Continuity Plan with WCC. • **Risk 15 Poor management of third-party contracts by WCC or Te Toi Mahana lead to service failure** Risks related to the establishment of a new Facilities Maintenance service, and those related to other contract management are regularly reviewed and monitored.

7. Health,Safety and Wellbeing (HSW)

The CHP provides information to WCC to help it meet its obligations as a PCBU under the Health and Safety at Work Act 2015.

Document	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	31	Number of health and safety incident reports, as well as: • How these issues have been addressed • The timeframe for resolving these issues • Number and description of incidents/injuries/events that have been notified	24	16	NA	There were 16 health and safety incident reports during quarter (refer to graph). There were no lost time injuries or notifiable events. Issue resolution time ranges from one day to over a month. Resolution time depends on the urgency and complexity of the issue, and the type of follow up required. **Internal HSW Audit** During the quarter, an internal HSW audit was undertaken. It included consideration of current processes, vehicle usage and site visits. It also reviewed incident reporting and worker representation. The findings and actions will be discussed with the Board in March 2025.



Te Toi Mahana
Community Housing

8. Portfolio and Tenant Information

The CHP will report on the key characteristics of the tenant cohort within the leased portfolio.

Document	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	33	Number and % of tenants accessing a Te Toi Mahana rental policy subsidy e.g. Affordable Rent Limit (ARL), 80+ rent freeze	45%	31%	NA	After the rent increase in November 2024, the number of tenants receiving additional subsidies decreased significantly. The primary reason is a large number of tenants whose rent increase amount was lower than the rent increase cap. More tenants now pay 70% of market rent.
RRA	34	Number of transferring tenants housed over the quarter	23	14	NA	The number of transfer tenants housed decreased significantly from the previous quarter. Transfer tenants made up roughly one in four new tenancies in Q2.
RRA	35	% of leased portfolio housing non-public housing tenants	88%	86%	NA	We had thirty net new IRRS tenancies starting in the quarter, leading to the decrease in housing to non-public housing tenants. New IRRS tenancies were started at three properties previously leased to other CHPs.

Te Toi Mahana
Community Housing

9. Other measures

Document	Performance area	Doc No	Measure	Prev Qtr	Qtr 2 Actual	Target	Commentary
RRA	Asset Service delivery	17	Any other metrics agreed under the AMSP	NA	NA	NA	Nothing to report this quarter.
RRA	MMDF	36 and 37	Value of incomings and outgoings into the MMD Fund	NA	NA	NA	WCC to report.
RRA	Financial	2. and 38	Reporting requirements pursuant to WCC's Three Waters Better Off Funding arrangements (noting the funding under such arrangements is to be used for the Existing Tenant Support Fund as per the Lease Agreement). Specific reporting requirements (including timing) to be confirmed by Council following the Commencement Date				The $7.42m for the Existing Tenant Support Fund has been ringfenced. We are actively considering options on how best to utilise this fund.
FA	Financial		Quarterly report on Development tranche	NA	NA	NA	Nothing to report this quarter.

Definitions

CHP	Community Housing Provider
RRA	Relationship and Reporting Agreement
FA	Funding Agreement
IRRS	Income Related Rental Subsidy (central government)
ARL	Affordable Rent Limit Subsidy (Te Toi Mahana/formerly City Housing)
KPI's	Key Performance Indicators
MMDF	Major Maintenance Development Fund
SLA	Service Level Agreement
Void	Empty property with works waiting/underway
BOS	Public housing applicants and tenancy management system used by MHUD, MSD and CHPs
Ready to Let	Property ready for a tenant to move in
Schedule 2A	Properties that Te Toi Mahana has leased from WCC under the Lease Agreement
Response time	Detailed definition on slide 17

Te Toi Mahana
Community Housing

QUARTER 2 REPORT FY24/25

Kōrero taunaki | Summary of considerations

Purpose

1. This report to the Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee (the Committee) provides performance information for Quarter two of Year One of the 2024-34 Long-Term plan (LTP). The report provides a governance and monitoring oversight of the delivery of the current LTP. Oversight relates to the quarterly monitoring of:

    - Budget performance;
    - Strategy area performance e.g. delivery of key performance indicators;
    - LTP strategic direction e.g. tracking the delivery of key programmes supporting LTP priorities; and
    - Key strategies and their action plans.

2. This report also outlines requirements for budget changes for the current financial year, to ensure spend aligns with Officers delegated authority.

Strategic alignment

3. This report utilises the Performance and Monitoring Framework to align performance across the Community Outcomes, Strategic Approaches and the Strategic Priorities.

Relevant previous decisions

4. Nil.

Significance

5. The decision is **rated low significance** in accordance with schedule 1 of the Council's Significance and Engagement Policy.

Financial considerations

☐ Nil	☒ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

Risk

☒ Low	☐ Medium	☐ High	☐ Extreme

Authors	Jocelyn Anton, Senior Advisor Planning & Reporting Raina Kereama, Manager Financial Planning and Policy Lloyd Jowsey, Team Leader, Planning and Reporting Scott Parkes, Finance Business Partner Ben Andrews, Senior Advisor Corporate Planning
Authoriser	Baz Kaufman, Manager Strategy and Research Andrea Reeves, Chief Strategy and Finance Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motions:

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

1. Receive the Quarter two (Q2) Performance Report on the 2024-34 Long-term Plan (LTP).
2. Note the Quarterly Report format has been changed to match the 2024-34 LTP in design and presentation, and that the report is on a continuous improvement pathway to develop the Council's Quarterly Governance reporting.
3. Recommend that Council approve the following requests for 2024/25.
    a) Additional operating funding in activity 3.1.4 Major Economic Projects as a grant for Sky Stadium of $2.3m for capex upgrades.
    b) Additional capital funding in activity 4.1.1 Galleries and Museums for Space Place of $0.050m to enable completion of the Technology upgrade.
    c) Updating capital and operating budgets for the sludge minimisation project in activity 2.4.2 Sewage Treatment made up of $20.0m capital expenditure and capital revenue, and $1.0m operating expenditure and revenue. The budget for this needs to be updated to reflect the approved P80 budget figure rather than the previously used P50 budget figure. These costs are fully funded by the IFFAA.

Whakarāpopoto | Executive Summary

6. This is the second Quarterly Report reporting against the 2024-34 LTP.

7. This report implements further improvements to the contents and look and feel of the report. This quarter we have included reporting on service dimensions to gauge performance on LTP service delivery, as well as showed alignment of the LTP capital programme against the Strategic Priorities.

8. 73% of KPIs reporting this quarter have been met (54 of 74 KPIs). This is the same as quarter 1 performance. WREDA is reporting 5 KPIs not meeting target this quarter, however this is due to data lag and event phasing. All are expected to meet their targets at years end. (Non-financial performance covers pages 15-42 in report).

9. Wellington Water’s non-financial performance is 77%, which also matches their quarter 1 performance. Wellington Water has continued to show improved performance against targets (ranging between 3% through to 68%), especially for those which did not meet target. However, they still face challenges in timeliness to water events (detailed on page 23-26 in report).

10. Reporting for the first time this quarter is non-financial performance against Taituāra service dimensions. The top dimensions this quarter are: client satisfaction (100% met target); Safety (89% met target); Reliability and Accessibility (both 67% met target) (detailed on page 16 in report).

11. The 18 Significant Projects (a subset of the wider Capital programme) are reporting a 39% Green health status indicating that a residual uncertainty for a number of projects will remain until LTP consultation and final decision making is completed. However overall, projects are collectively forecasting to track to both 2024/25 and whole of project budgets (detailed on pages 10-11 and 55-66 in report).

12. The December year to date operating net surplus is $23m which is better than budget by $13m. Revenue is behind budget by $7m. New Zealand Transport Agency (NZTA) grant revenue is $4m lower than budget due to projects being reassessed in line with NZTA funding. Sludge grant revenue is down $9m compared with budget due to lower capital spend. Expenditure is behind budget by $20m which offsets the lower revenue explained above. This is driven by lower transport expenditure ($7m) due to projects being reassessed in line with NZTA funding. Contracts, services & materials are $9m behind budget, mainly due to Wellington Water underspend ($3m) and underspending across several areas where there are timing variances to budget. We also have lower interest costs ($3m) due to having lower net borrowings.

13. The YTD budgeted capital spend is $337m and actual spend is $230m (68% spend) with most significant projects below budget. The key areas where we have not achieved budgeted spend is:

    a) Major capital works (formerly LGWM projects) are $11m under budget due to delays in starting.

    b) Housing capital spend is down $19m as the business case for HUP 2 is yet to be finalised.

    c) Sludge minimisation project is $11m behind forecast due to delays in vendor and equipment supply.

Takenga mai | Background

14. This report covers Q2 performance in relation to the first year of the 2024-34 LTP. The period covered is 1 July to 31 December 2024. The actual date of receipt of the quarterly report by Elected Members reflects both the Committee meeting cycle and, the time required to compile internal and external report information.

15. Performance reporting is completed in line with the Council Performance and Monitoring Framework (Appendix 5 in report). In keeping with good practice performance reporting information is generally reported as year-to-date (YTD). While any key changes to KPI performance are recorded on an exception basis, additional commentary may be included to explain the performance story. The report is increasingly including forward looking information.

16. In the 2024-34 LTP a change was made to the performance thresholds for the result status for KPIs as represented below:

    a. ***Met*** = at target or above;

    b. ***Substantialy Met*** = 0.01%-4.99% off target (at risk of not meeting target);

    c. ***Not Met*** = ≥ 5% off target;

17. Changes to attainment thresholds follows on from performance reporting improvements initiated in the 2021 LTP.

18. Project performance reporting uses a colour coded RAG status. The definitions of the colours reflect project specific performance dimensions as outlinned in Appendix 6 in the report.

19. An on-going quarterly report development plan is underway. Improvements will be rolled out as they are developed. The aim is to enable an informed understanding of overall organisational performance – 'what this level of performance means' - from a governance perspective.

20. The Quarterly report content is organised in three parts:

    - Section 1: Summary of the Quarter. This covers: Executive Snapshot; Overview of the financial position; and LTP Significant projects and LTP Strategic Priorities work programme summaries
    - Section 2: Performance by Strategic Area. This covers: Strategic Activity area non-financial and financial performance; and Key Strategy reporting
    - Appendicies: This provides additional and in-depth information as follows –
        - Appendix 1: Key Strategy Deep Dive
        - Appendix 2: LTP Significant Projects Detailed Quarterly Reporting
        - Appendix 3: Wellington Water Limited Quarterly Report
        - Appendix 4: Sustainable Development Goals
        - Appendix 5: Performance and Monitoring Framework
        - Appendix 6: Project Management Office Operating Framework

2024-34 LTP budget change requests

Additional funding:

21. Sky stadium grant for capital upgrades $2.3m was forecast to occur in the prior year (2023/24) but was delayed. The projects are in progress and the capital budget is needed to enable completion. This was forecasted to be funded by debt.

22. Space place technology upgrade $0.05m: The project is in progress but requires additional funding to enable completion because an extension to deliver the project has resulted in additional costs.

    The Sludge Minimisation project: the budget for this needs to be updated to reflect the approved P80 budget figure rather than the previously used P50 budget figure. This changes the 2024/25 financial year by $20m capital expenditure, and $1m operating expenditure. The budget will also be updated for 2025/26 and 2026/27. These costs are fully funded by the IFFAA. There is no debt or rates impact.

Kōrerorero | Discussion

Financial Performance: (for details see Section 1, pages 5 - 9 of the Q2 report)

23. At the end of the second quarter of FY 2024/25, the Council had a net surplus of $23m which is up $13m on budget. The year-to-date result excluding the sludge grant revenue is a deficit of $26m. This is $22m better than budget.

24. Revenue is behind budget $7m largely due to lower-than-expected grant revenue. NZTA grant revenue is $4m lower than budget due to projects being reassessed in line with NZTA funding. Sludge grant revenue is also down $9m compared with budget due to lower capital spend.

25. Expenditure is largely behind budget by $20m which offsets the lower revenue explained above. This is driven by lower transport expenditure ($7m) due to projects being reassessed in line with NZTA funding. Contracts, services & materials are $9m behind budget, mainly due to Wellington Water underspend ($3m) and underspending across a number of areas where there are timing variances to budget. We also have lower interest costs ($3m) due to having lower net borrowings.

26. We are closely monitoring the progress of our capital programme against budget, The phasing of this spend is the main driver of our debt. Given the difficult macro-economic environment, we are also closely monitoring the collectability of our key revenue streams.

27. The 18 Significant Projects (a subset of the wider Capital programme) are reporting a 39% Green health status.indicating that a residual uncertainty for a number of projects will remain until LTP consultation and final decision making is completed. However overall, projects are collectively forecasting to track to both 2024/25 and Whole of Project budgets (detailed on pages 10-11 and 55-66 in report).

Non-financial Performance: (for details see Section 2, pages 14 - 42 of the Q2 report)

28. 73% of KPIs reporting this quarter have been met (54 of 74 KPIs). This is the same as quarter 1 performance. WREDA is reporting 5 KPIs not meeting target this quarter, however this is due to data lag and event phasing. All are expected to meet their targets at years end. (Non-financial performance covers pages 15-42 in report).

29. Wellington Water's non- financial performance is 77%, which also matches their quarter 1 performance. Wellington Water has continued to show improved performance against targets (ranging between 3% through to 68%), especially for those which did not meet target. However, they still face challenges in timeliness to water events. (detailed on page 23-26 in report).

30. Reporting for the first time this quarter is non-financial performance against Taituāra service dimensions. The top dimensions this quarter are: client satisfaction (100% met target); Safety (89% met target); Reliability and Accessibility (both 67% met target) (detailed on page 16 in report).

31. The number of KPIs reporting in each quarter varies according to the service delivery seasonality for the reporting period. Reporting frequencies can vary across: monthly, quarterly, 6 monthly, quarter 2 and 3 only and annual intervals. KPIs will be reported to the nearest quarter and in the Annual Report. In addition there is greater diversity in the KPI format and reporting options the 2024-34 LTP than there were in the previous LTP.

Kōwhiringa | Options

32. Not applicable

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council's strategies and policies

33. This report and its contents align with and report on the Council's strategies and policies.

Engagement and Consultation

34. No impact.

Māori Impact Statement

35. This report provides a governance level performance view of Council activities for the quarter. These activities have been aligned with the Tūpiki Ora Māori Strategy at business unit level across the organisation.

Financial implications

36. The financial implications of budget requests are outlined in the 2024-34 LTP budget change request section of this report.

Legal considerations

37. No impact.

Risks and mitigations

38. No impact.

Disability and accessibility impact

39. No impact.

Climate Change impact and considerations

40. This report provides a governance level performance view of Council activities for the quarter. These activities have been aligned where possible with Te Atakura First Zero at business unit level across the organisation. In addition, this report provides a status update on Council's progress against Te Atakura First Zero strategy.

Communications Plan

41. No impact.

Health and Safety Impact considered

42. No impact.

Ngā mahinga e whai ake nei | Next actions

43. The next report to Elected Members will be the Quarter 2 performance report covering the period 1 July to 31 December 2024

Attachments

Attachment 1.	Quarter 2 Report	Page 46

Te Pūrongo ā-Hauwhā Quarterly Performance Report

Quarter 2, 2024/25

YTD 01 July 2024 to 31 December 2024

Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

Contents:

Wāhanga 1 | Section 1

Rāpopototanga mo te hauwhā

Summary of the quarter

In this section

- Executive Snapshot for the quarter
- Overview of the Financial position
- LTP Significant Projects
- LTP Strategic Priorities Work programme

Executive snapshot

This section provides a snapshop of key performance information supporting the Governance of Wellington City Council.

Each performance data point in the snapshot includes page references for the underlying details.

This is the second quarterly report of the 2024-34 LTP and reflects ongoing improvement of the content and presentation.

$23m net surplus Council Surplus is $13m higher than budgeted and an increase from $10m in previous quarter. See page 5	**$230m capital spend** Capital spend is consistent with prior year but down $106m on budget. An increase from $107m in previous quarter. See page 5	**$1.55b net debt** Net debt is $1.55b which is up $131m from 30 June 2024. See page 5 and 8
Treasury Weighted average cost of capital reduced from 4.60% to 4.25% in Q2 See page 8	**73% KPIs met** Same as last quarter See pages 15 to 42	**77% Water KPIs met** Same as last quarter, however continued improvement against target see page 23 -26
Service dimensions Client satisfaction 100% met target Safety 89% met target Reliability 67% met target See page 16	**Key strategies** 4 of 5 are Green See pages 43-44 and 46-54	**Significant Projects status** 1 = Red 10= Amber 7 = Green See pages10-11 and 55-66

Summary of our finances

Year-to-Date Analysis

The December year to date net surplus of $23m is $13m higher than budgeted. The year-to-date result excluding the sludge grant revenue is a deficit of $26m. This is $22m better than budget. Refer to table.

High Level Summary ($m)	YTD Actual	YTD Budget	Variance $
Total Revenue	$466	$473	($7)
Total Expenses	$443	$463	($20)
Net Surplus	$23	$10	$13
Less Sludge Minimisation Facility Grant Revenue	$49	$58	($9)
Net Deficit Excluding Sludge Grant Revenue	($26)	($48)	$22

Revenue – *behind budget*

Revenue is behind budget $7m largely due to lower-than-expected grant revenue. NZTA grant revenue is $4m lower than budget due to projects being reassessed in line with NZTA funding. Sludge grant revenue is also down $9m compared with budget due to lower capital spend.

Expenditure – *largely behind budget*

Expenditure is largely behind budget by $20m. This is driven by lower transport expenditure ($7m) due to projects being reassessed in line with NZTA funding. Contracts, services & materials are $9m behind budget, mainly due to Wellington Water underspend ($3m) and underspending across a number of areas where there are timing variances to budget. We also have lower interest costs ($3m) due to having lower net borrowings.

We are paying particular attention to – *Capital programme*

We are closely monitoring the progress of our capital programme against budget, The phasing of this spend is the main driver of our debt.

Given the difficult macro-economic environment, we are also closely monitoring the collectability of our key revenue streams.

$23m

Council Surplus

$13m higher than budgeted.

$230m

Capital Spend

Consistent with prior year but down $106m on budget.

$1.55B

Net Debt

Up $131m YTD from 30 June 2024.

Treasury

$100m of interest rate swaps transacted in Q2.

Consolidated Performance 1 July 2024 to 31 December 2024

Statement of Financial Performance (000's)

Revenue

YTD revenue is $466m which is behind budget by $7m driven by lower NZTA revenue $4m and Sludge grant revenue $9m.

NZTA Grant revenue is $4m lower than budget due to reduced capex delivery linked to the reduced NZTA funding available.

Sludge Grant Revenue is $9m behind budget as actual project spend is also down and we only claim what we have spent.

Expenditure

YTD Expenditure is $443m which is $20m or 4% lower than budget. This is driven by.

Transport expenditure down on budget by $7m. Underspend is due to Major Capital projects being $3m behind budget but expected to ramp up in coming months. Funding. Following reduced NLTP funding from NZTA, there are further underspends as a result of updating the programme

Environment expenditure down on budget by $2m due to lower Wellington Water spend, this is temporary and expected to increase in line with full years budget.

Social and Recreation expenditure down on budget by $2m in grants expenditure. The budget phasing did not align well enough to the Grants Committee meetings.

The net Interest expense is also below budget by $3m or 8% because of the lower borrowings than anticipated.

	YTD Actual	YTD Budget	Var $	Var %
Revenue	**465,922**	**472,509**	**(6,587)**	**-1%**
Rates & Levies Revenue	287,414	282,858	4,556	2%
Revenue from Operating Activities	93,315	91,950	1,365	1%
Investment Revenue	5,810	5,733	77	1%
Other Revenue	77,042	90,167	(13,125)	-15%
Development Contribution Revenue	2,340	1,750	590	34%
Expenditure	**443,223**	**462,967**	**(19,744)**	**-4%**
Personnel	92,199	91,774	425	0%
Contracts, Services, Materials	143,065	160,046	(16,981)	-11%
Professional Costs	7,155	7,265	(109)	-2%
General Expenses	60,014	63,810	(3,795)	-6%
Depreciation and amortisation	114,722	112,528	2,193	2%
Interest Expense	33,061	36,132	(3,071)	-8%
Internal Recharge and Recoveries	(6,993)	(8,609)	1,616	-19%
Council Surplus/ (Deficit)	22,698	9,564	13,134	137%

Capital Programme Reporting

The YTD budgeted capital spend is $337m and actual spend is $230m (68% spend) with most significant projects below budget.

The key areas where we have not achieved budgeted spend is:

Major capital works (formerly LGWM projects) are $11m under budget due to delays in starting.

Housing capital spend is down $19m as the business case for HUP 2 is yet to be finalised.

Sludge minimisation project is $11m behind forecast due to delays in vendor and equipment supply.

Changes requested

Delayed projects

The below is a list of projects where the capital spend had been forecast to occur in the prior year but were delayed. The projects are in progress and the capital budget is needed to enable completion:

- Sky stadium grant for capital upgrades $2.3m. This was budgeted in 2023/24 however the project was delayed.

Additional funding

The projects below are in progress but requires additional funding to enable completion.

- Space place technology upgrade $0.05m. An extension to deliver the project has resulted in additional costs.
- The Sludge Minimisation project budget needs to be updated to reflect the approved P80 budget figure rather than the previously used P50 budget figure. This changes the 2024/25 financial year by $20m capital expenditure, and $1m operating expenditure. The budget will also be updated for 2025/26 and 2026/27.Note these costs are fully funded by the IFFAA.

Treasury

Policy Settings

The Investment and Liability Management Policies (together the Treasury Policy) are reviewed and approved by Council every three years as required by the Local Government Act.

The settings within the Treasury Policy are purposefully set at a more conservative level than what the LGFA set in their foundation policies (e.g. our internal debt to operating revenue ratio) in order to observe best practice in risk management in this space and also minimise any impact on the relevant measure within the S&P credit rating methodology.

Debt funding activity

Council's net debt has increased by $131m to fund our 2024/25 capital program year-to-date.

Not included in these numbers is the remaining $56m of prefunding which was drawn down to prefund all debt maturities occurring during the current financial year. All prefunded amounts have been invested in term deposits that match the maturing debt with a neutral or positive carry.

Debt will continue to be incrementally drawn throughout the year to spread and smooth the drawdown profile and receive the funding as/when needed.

Policy Compliance

The Council complies with the Treasury Policy as at the end of December. During the quarter, we were compliant with our liquidity policy at each reporting date (month ends). Liquid assets (for treasury management purposes) include cash in bank, standby facilities, a working capital facility and term deposits which mature within 90 days of (each) measurement date.

Interest costs continue to be managed using a mixture of floating and fixed rate instruments in compliance with the Treasury Policy.

This financial year to date, there have been 125bps of cuts to the OCR, with further cuts being forecasted. WCC's weighted average cost of capital has decreased since the last quarter from 4.60% to 4.25%. We expect this to continue to drop during this financial year.

We have transacted $100m of interest rate swaps in the last quarter to provide certainty in interest rate outcomes. We are continuing to look at opportunities in the market when they arise to pick up more cover at attractive forward rates.

Council Debt

	Current	YTD Change
Gross Borrowing*	$1,650,000,000	$100,000,000
Net Debt	**$1,552,974,040**	**$131,095,466**

* Total gross borrowing less pre-funding

Policy compliance status

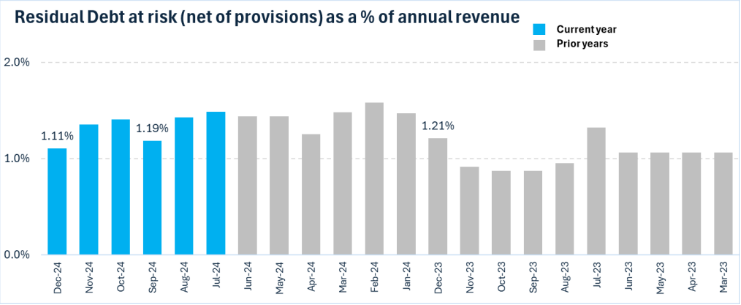
Risk area	Compliance status	Plain language meaning
Liquidity	Compliant	Cash availability
Funding	Compliant	Spread of debt maturities
Interest Rate	Compliant	Managing interest rates
Counterparty	Compliant	Not all eggs in one basket

Rates and General Debtor Balances

As of December 2024, the total debtors' balance stands at **$61 million**, with **$22 million** classified as debt at risk. Of this debt at risk we have provisions for doubtful debts amount to $10.8m, resulting in a net debt at risk of $11.5m.

This figure has decreased from the previous quarter due to improved collection on outstanding rates.

This represents a notable reduction from the previous months, driven by active recovery efforts across all business groups .

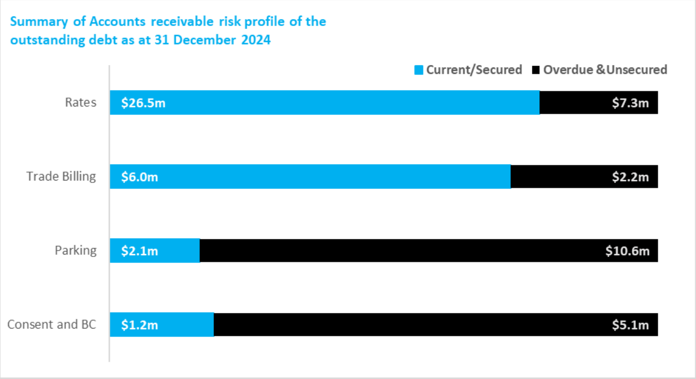


Rates Debtors

$26.5m relates to $12m current rates and $18m that have mortgagees (and can be recovered through the mortgagee process).

There has been an increase in engagement with ratepayers. While many ratepayers are struggling with affordability, we continue to offer payment plans. A good number of ratepayers have successfully cleared their payment plans. This quarter, we have set up payment plans for an average of 100 ratepayers per month, totalling approximately 300 for the quarter. Additionally, there has been a reduction of around 200 active payment plans by the end of the month.

$5m worth of outstanding rates have been paid post month end, improving the overall collection rate.



Collection and recovery efforts

The debtor recovery strategy has emphasized support first, followed by enforcement. This approach has led to better collections compared to prior periods.

This is a summary of the actions taken on the unsecured account receivable balances.

Added emphasis on payment arrangement options to reduce overdue and unsecured amounts.

Increased efforts in positive follow-ups, especially for categories with high unsecured values

Increased focus on recovery of mortgagee debt with financial institutions.

Regularly review and address additional work required for at-risk receivables to prevent further escalation.

Key Performance Reports

LTP Significant Projects Summary

This section provides a summary of the LTP Significant Projects portfolio including year-to-date financials and a health status overview.

Total Number of Significant Projects	# of Programmes	# of Projects
18	4	14

Significant Projects

The Significant Projects are a subset of the larger LTP strategic work programme and are considered to be priority pieces of work and are monitored by the Project Management Office.

Full update details on each of the significant projects are shown in Appendix 2 (pages 55-66).

Summary Performance

Of the 18 Significant Projects currently being planned or delivered, one has a red status and ten are amber.

The level of red statuses across significant projects has improved since Q1 as a result of early decision making through the LTP amendment process.

The risk profile of significant projects predominantly relates to budget and schedule. There are seven critical issues recorded against our significant projects and two critical risks. Issues relate to the management of schedule and cost variations and management of funding and schedule uncertainty.

Residual uncertainty for a number of projects will remain until LTP consultation and final decision making is completed. A number of other projects remain amber given their inherent complexity.

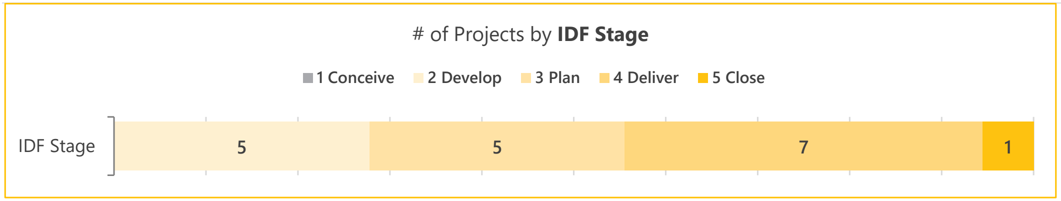
Management action is underway on most issues to seek resolution, some involve upcoming Committee decision making.

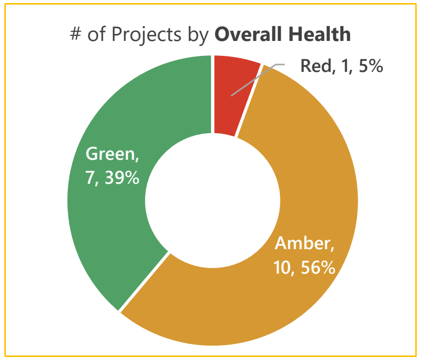
Overall, projects are collectively forecasting to track to both 2024/25 and Whole of Project budgets.

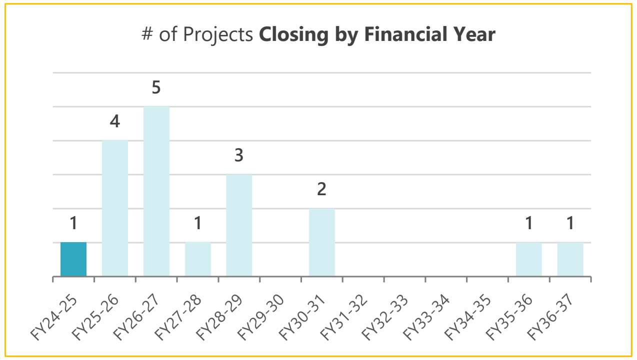
Upcoming Q3 milestones of note for Elected Members include the Housing Upgrade Programme 2 Business Case and Golden Mile Traffic Resolutions.

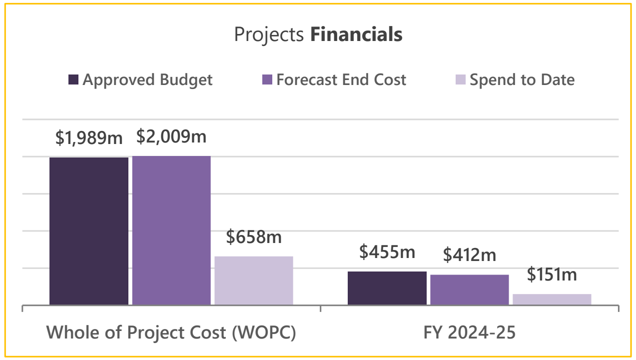
Significant Projects List
by **IDF Stage**

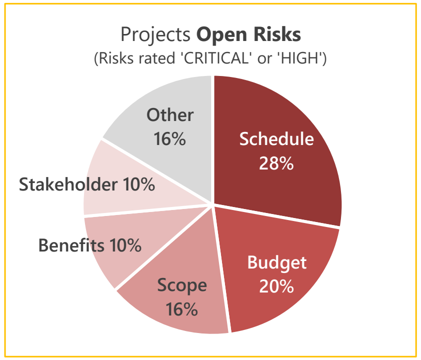
1 Conceive	
2 Develop	
R	Begonia House Upgrade
A	City to Sea Bridge
A	Harbour Quays Interim Project
G	Housing Upgrade Programme 2
G	Te Ngākau Programme
3 Plan	
A	Golden Mile
A	Organics Processing
A	Redesigning Rubbish and Recycling Collections
A	Residual Waste - Southern Landfill - SLEPO
A	Waikoukou
4 Deliver	
A	Bike Network Programme (BNP)
A	Frank Kitts Park Programme
A	Sludge Minimisation Facility
G	Te Matapihi Client-Side Programme
G	Te Matapihi ki te Ao Nui
G	Thorndon Quay Upgrades
G	Town Hall Redevelopment Project
5 Close	
G	Frank Kitts Park Playground


# of Projects by **IDF Stage**


# of Projects by **Overall Health**


# of Projects **Closing by Financial Year**


Projects **Financials**


Projects **Open Risks**
(Risks rated 'CRITICAL' or 'HIGH')

39%

Green health status

Forecasts

indicate projects are tracking to budget

Issues and Risks

are mostly budget and schedule and are being closely managed to ensure budgets continue to track to forecast

Quarterly 1 Report 2024/25

LTP Strategic Priorities work programme

The purpose of this section of the report is to provide a year-to-date, high-level overview of the delivery status of the LTP capital works programme which support the nine strategic priorities in the current (2024) LTP.

Council undertakes capital activity which does not fit under a particular strategic priority. These are included in the overview table below and are labelled Corporate Capital Programmes.

Data shows Priority 9 (water) expenditure is continuing apace as are Priorities 2, 6, 9 and Corporate Capital programmes with YTD expenditure over 50% of budget. Priorities 1, 3, 4, 5 and 8 are under expended.

The values shown do not reflect possible changes that may occur as a result of the 2024 LTP Amendment.

2024 LTP strategic priorities	YTD Revised Budget (000s) as at Q2	YTD Expenditure (000s) as at Q2	% expended	Number of Projects or Programmes
Priority 1: Increase access to good, affordable housing to improve the wellbeing of our communities	$22,466,182	$8,921,348	40%	3
Priority 2: Revitalise the city and suburbs to support a thriving and resilient economy and support job growth	$69,572,362	$41,375,420	59%	20
Priority 3: Transform our waste system to enable a circular economy	$157,567,173	$69,189,464	44%	6
Priority 4: Celebrate and make visible te ao Māori across our city	$325,000	$4,507	1%	1
Priority 5: Nurture and grow our arts sector	$9,892,838	$3,213,043	32%	12
Priority 6: Transform our transport system to move more people with fewer vehicles.	$106,601,084	$64,808,539	61%	64
Priority 7: Fix our water infrastructure and improve the health of waterways	$70,726,000	$51,402,867	73%	14
Priority 8: Collaborate with our communities to mitigate and adapt to climate change	$1,454,907	$189,997	13%	2
Priority 9: Invest in sustainable, connected and accessible community and recreation facilities	$31,743,836	$19,142,832	60%	88
Corporate Capital Programmes	$106,688,965	$65,124,871	61%	31

The following table provides an overview of the approved 2024 LTP capital works programme budget commitment (inflated) arranged by strategic priority and across the 10year 2024-34 horizon.

This provides Elected Members with high level information about forward budget commitments for the LTP capital works programme.

The values shown do not reflect possible changes that may occur as a result of the 2024 LTP Amendment.

2024 LTP strategic priorities	**2024-34 LTP commitment (Yrs1-3 and Out Years inflated)**				
	Revised annual budget as at Q2	**Yr2 budget commitment**	**Yr3 budget commitment**	**Yr4-6 budget commitment**	**Yr7-10 budget commitment**
Priority 1: Increase access to good, affordable housing to improve the wellbeing of our communities	$22,466,182	$50,929,609	$61,388,214	$250,568,825	$181,115,008
Priority 2: Revitalise the city and suburbs to support a thriving and resilient economy and support job growth	$69,572,362	$882,214,900	$33,957,735	$73,742,178	$21,602,794
Priority 3: Transform our waste system to enable a circular economy	$157,567,173	$165,263,993	$52,465,301	$45,206,895	$27,092,573
Priority 4: Celebrate and make visible te ao Māori across our city	$325,000	-	-	-	-
Priority 5: Nurture and grow our arts sector	$9,892,838	$18,629,583	$10,096,069	$27,500,685	$19,043,152
Priority 6: Transform our transport system to move more people with fewer vehicles.	$106,601,084	$125,235,632	$153,546,320	$345,399,507	$381,430,788
Priority 7: Fix our water infrastructure and improve the health of waterways	$70,726,000	$61,672,293	$72,252,049	$358,223,928	$624,124,017
Priority 8: Collaborate with our communities to mitigate and adapt to climate change	$1,454,907	$241,501	$1,840,982	$2,603,096	$682,842
Priority 9: Invest in sustainable, connected and accessible community and recreation facilities	$31,743,836	$54,062,730	$42,469,865	$117,595,235	$303,980,667
Corporate Capital Programmes	$106,688,965	$84,168,726	$53,200,390	$115,881,526	$182,731,155

Wāhanga 2 | Section 2

Performance by Strategic Activity area

In this section

Strategic Activity area non-financial and financial performance

Key Strategy reporting

Strategic Activity Area Performance Reporting

This section of the report provides a detailed view of non-financial and financial performance by Strategic Activity area

Summary of non-financial performance

73% of LTP KPIs have been met this quarter which is the same as that for Q1. Wellington Water Limited (WWL) has also maintained its performance this quarter (77% Q2 vs 77% Q1) and continues to show improved performance against its targets - see page 21. Table 1 displays a combined Council and CCO performance and Table 2 displays disaggregated performance between Council, Wellington Water and other CCOs. WWL still has challenges with timeliness for attendance at water issue events (4 of 8 KPIs) however is resolving these issues once at the event site. WREDA is reporting 5 KPIs not meeting target this quarter, however this is due to data lag and event phasing. All are expected to meet their targets at years end.

The total number of LTP KPIs is 125. Each KPI may report at varying intervals, including: monthly, two monthly, quarterly, 6monthly or Annually depending on seasonality, information available etc. Subsequently the number reported each quarter will vary according to the reporting schedule of each KPI.

Table 1: Combined Non Financial Performance as at Quarter Two

	Met target	Off track	Not met target	Total reported	Reported later
Governance	3	0	0	3	4
Environment	24	0	11	35	5
Economic Development	2	0	5	7	5
Cutural Wellbeing	6	0	0	6	5
Social & Recreation	7	0	0	7	11
Urban Development	5	0	3	8	3
Transport	7	0	1	8	18
Total	**54**	**0**	**20**	**74**	**51**

KPIs can provide data at monthly, two monthly, quarterly, 6monthly or Annual intervals with all activity captured in the quarterly report or annual report

Reporting thresholds: Met = at target-2.49%; At risk = 2.5-4.99%; Not met = ≥5%

Table 2: Disaggregated Non Financial Performance as at Quarter Two

	Met target	Off target	Not met target	Total reported	Reported later
Council only	26	0	5	31	44
Wellington Water	23	0	8	31	2
All other CCOs	5	0	7	12	5
Total	**54**	**0**	**20**	**74**	**51**

Analysis of Non-financial performance by Taituarā Service Dimension

Taituarā (Local Government Professionals Aotearoa) provides best practice guides for local government performance reporting. An element of this best practice is the use of service dimensions to gauge performance for LTP service delivery.

In the 2024 LTP all of our 125 non-financial KPIs have been mapped to these service dimensions which allows us to investigate performance at a more granular level linked to the different elements of LTP service provision.

We report at the Statement of Intent level for the CCOs, however beneath this level there are 37 individual KPIs to which we've also assigned a service dimension. To this group we have included Wellington Water, which totals 70 KPIs for CCOs.

The tables below show the Q2 service dimension performance for the LTP KPIs (table 1) where the top dimensions this quarter are: client satisfaction (100% met target); Safety (89% met target); Reliability and accessibility (both 67% met target). and the subset of CCO KPIs (table 2) the top three are safety comprising 88% met; reliability 75% met, then dropping down to sustainability with 50%met.

This is the first time we have reported this information. As we progress through the year, the data will allow a more fulsome commentary.

Table 1: Combined Council YTD Non Financial Performance by Service Dimension as at Quarter Two

	Met target	Off track	Not met target	Total reported	Reported later
Quality	1	0	0	1	4
Responsiveness	6	0	4	10	0
Reliability	8	0	4	12	6
Sustainability	3	0	4	7	5
Safety	17	0	2	19	0
Accessibility	8	0	4	12	10
Affordability	1	0	0	1	3
Client Satisfaction	7	0	0	7	22
Other (eg CCOs excl WWL)	3	0	2	5	1
Total	**54**	**0**	**20**	**74**	**51**

KPIs have been aligned to service dimensons based on their core service provision. Where a KPI has different elements, each has been asisgned a service dimension.

Data in this table is cummulative as at Q2

Reporting thresholds: Met = at target-2.49%; Off track 2.5-4.99%; Not met = ≥5%

Table 2: CCO YTD Non-Financial performance by Service Dimensions as at Quarter Two

	Met target	Off track	Not met target	Total reported	Reported later
Quality	0	0	0	0	0
Responsiveness	2	0	4	6	0
Reliability	3	0	1	4	2
Sustainability	3	0	3	6	5
Safety	14	0	2	16	0
Accessibility	3	0	6	9	3
Affordability	1	0	0	1	7
Client Satisfaction	2	0	0	2	9
Total	**28**	**0**	**16**	**44**	**26**

Mana Whakahaere
Governance

Mana Whakahaere Governance – Non-financial KPI results

	Met target	Off target	Not met target	Total reported	Reported later
This period (Q2)	3	0	0	3	4
Last period (Q1, 24/25FY)	3	0	0	3	4
KPIs to be reported at a later period:	four reporting annually				

KPIs can report at monthly, two monthly, quarterly, 6monthly or Annual intervals with all activity captured in the quarterly report or annual report

Reporting thresholds: Met = at target-2.49%; Off target = 2.5-4.99%; Not met = ≥5%

Introduction

This strategic activity area is responsible for seven LTP KPIs (6% of the LTP KPIs). Of these, three KPIs report quarterly and four report annually.

Business units which operate in this strategic area include: Mataaho Aronui; Governance and Democracy Services; Strategy, Policy and Research; Finance.

Performance summary

All KPIs reporting this quarter have met their target.

Key activity

- Mataaho Aronui which provides advice and support to facilitate effective collaboration with and for Māori and embed te ao Māori thinking in Council completed 42 bespoke requests of service this quarter.
- Requests include incorporating Tūpiki Ora and Tākai Here, as well as Tākai Here partner and/or Māori engagement perspectives into initiatives. An example is the Island Bay village upgrade by facilitating the integration of indigenous stories and cultural narratives in the upgrade work.
- Across Council significant work was undertaken to ensure a positive and safe experience for all Wellingtonians during Te Hīkoi mō te Tiriti demonstration. This included our communications and engagement team working with NZ Police and other government agencies to ensure Council services were maintained across Pōneke and our transport and infrastruture team providing traffic management planning.
- This quarter we supported international relations between Council, our Tākai Here partners and our sister city, Sakai (Japan).The visit of the Sakai delegation to Waiwhetu Marae and the rūnanga with Te Rūnanganui o Te Āti Awa supported developing reciprocol international priorities and strengthening future collaboration.
- Our engagement and social media channels have been busy with consultations on the proposed Crofton Downs walking and biking trials (854 submissions), the Te Ngākau precinct development plan (1406 submissions) and motor cycle parking fees (1645 submissions).
- Across all social media channels we had an increase this quarter to 154,008 followers (Q2 FY24 – 143,898) and 105,776 total engagements (Q2 FY24 – 67,013). However total reach declined this quarter to 5.8m from a high of 6.5m in Q2 FY24 during the 24LTP process. We expect the reach to increase when consultation commences for the LTP Amendment.
- We have adjusted the way we measure engagement by removing TikTok data because of the unpredictable nature of the channel.
- Throughout quarter two work was progressed on year two of the budget to support development of the 2025/26 Annual Plan and the 2025 Long term Plan Amendment. This is a substantial piece of work that will culminate in June 2025.
- The Advisory Group review was completed with the new model to be implemented over 2025 and with 36 new members added to the advisory groups.
- The new International Relations Policy was adopted and we are preparing to set international relations priorities following the 2025 election.
- Work has progressed on a range of policies and bylaws including work on Council's accessibility and inclusion strategic approaches, the consolidation of data and research

analysis for the options for a local alcohol policy, as well commencement of a review Council's leases policies.

- The 2025 LTP amendment was progressed and work started on the 2025/26 Annual Plan process. Both will out for consultation in quarter three.
- Council won the Web Digital and Communications Project of the Year at the 2024 ALGIM awards which reflects good practice in improving accessibility and transparency of Councils' decision-making.
- A key focus is fixing usability issues with the Fixit app. Numbers of Fixit requests have decreased by18% from 9,674 in Q2 2023 to 7,904 in Q2 2024.
- We are also improving internal processes to provide better services: the Contact Centre team has used quieter periods to clear requests for loading direct debit authorities for rates payments which has reduced calls by 7% via the Rates line; the Tutuki programme has supported the Parking Team by providing online forms and payment options in response to changes to parking regulations, while monitoring additional demand arising from the ongoing Coupon Parking roll-out.

Mana Whakahaere Financial Summary

Operating performance

Revenue:

Revenue is tracking to budget with no material variance. Expected to remain in line at year end.

Expenditure:

Favourable due to lower personnel and depreciation costs. This is forecasted to reduce by year end in part due to vacancies being filled.

Capital expenditure performance

There is no capital spend in this strategy area.

Note: Variance = Favourable / (Unfavourable)

	Year to date ($000's)			Full Year ($000's)		
	Actual	Adjusted Annual Plan	Variance	Forecast	Adjusted Annual Plan	Variance
Revenue	279	258	21	441	517	(76)
Expenditure	9,961	11,169	1,208	21,892	22,300	408
Net Surplus/(Deficit)	(9,681)	(10,910)	1,229	(21,451)	(21,783)	333
Capital Spend	0	0	0	0	0	0

Taiao
Environment

Taiao (excluding WWL) Non-financial KPI results

	Met target	Off target	Not met target	Total reported	Reported later
This period (Q2)	1	0	3	4	3
Last period (Q1, 24/25FY)	1	0	3	4	3
KPIs to be reported at a later period:	three reporting annually				

KPIs can report at monthly, two monthly, quarterly, 6monthly or Annual intervals with all activity captured in the quarterly report or annual report

Reporting thresholds: Met = at target-2.49%; Off target = 2.5-4.99%; Not met = ≥5%

Introduction

This strategic activity area is responsible for 40 LTP KPIs (32% of the LTP KPIs). Of the 40 KPIs, 33 belong to Wellington Water Limited (WWL). These are outlined in the separate section below.

The balance of seven KPIs are reported here. Four report quarterly and three report annually.

The business units which operate in this strategic area are: Waste, Water and Resilience; elements of Parks, Sports and Recreation; Climate Change and Economic Wellbeing and Council Controlled Organisations which covers two Council Controlled Organisations' performance.

Performance summary

Two of the four KPIs reporting this quarter have not met their target (details below).

- *Volume of waste diverted from landfill* – this KPI did not meet its target (result of 7,307 tonnes against a target of 10,000 tonnes).

  The underpinning work associated with this KPI is linked to the consent conditions associated with sludge disposal at the landfill, and the new Sludge Minimisation Facility at Moa Point which is expected to materially reduce the volume of sludge produced. Consent conditions will change in FY27, however until this time we are required to maintain a landfilling ratio of 4 parts waste to 1 part sludge. Over time the volume of sludge has increased (13.4% FY24 vs -9.7% FY22) which means in order to maintain the landfilling ratio, we are unable to facilitate any significant increases in waste diversion from landfill. In addition the regional Waste Minimisation Management Plan includes developing several resource recovery projects including the removal of organics from landfill. This includes implementing an increase in collection services to extend to residential food and green waste and a proposed organics processing facility.

  This KPI will not meet its target next quarter .
- *Percentage of contamination in kerbside recycle collection.* – this KPI did not meet its target (result of 13.5% against a target of ≤10%)

  This is the second time reporting for this KPI and while not meeting its target it has shown further reduction against both baseline (16%) and the last quarter result (15%). The underpinning data lags reporting by one month. Work continues on the development of the underpinning systems and processes as well as evaluating the contamination of kerbside recycle collections.

  It is expected that this KPI will not meet its target next quarter.
- The Zoo did not achieve its target this quarter. (greater than 50% of KPIs meeting their target is considered achieved). This period the Zoo has one KPI reporting, which did not meet its target. Details are shown below.

  Wellington Zoo – achievement of Statement of Intent KPIs (1 reporting quarterly) – one SOI KPI – Visitor attendance did not meet its target (result of 55,032 visitors against a target of 68,744)

  This was due to multiple factors including the economic downtourn and poor weather during peak visitation periods.

  This KPI is at risk or not meeting its target next quarter.

Key activity

- Year on year increases (13.4% FY24 vs -9.7% FY22) in the volume of sludge from the Moa Point treatment plant is impacting wider waste reduction targets with a flow on effect to process performance prior to the commissioning of the new sludge minimisation plant due to be operational in June 2026. The increased sludge volumes, which are expected to continue until the new facility is commissioned, indicate a waste reduction against existing volumes is not achievable due to the landfilling ratio of 4 parts waste to 1 part sludge consent requirement. In addition, should the commissioning date for the sludge minimisation plant be delayed, this could also prolong the reduction targets.

- In December, Elected Members unanimously agreed to progress three options for public consultation for water reform (a metro council three waters CCO (with Upper Hutt City, Hutt City, Porirua City, and Greater Wellington Regional councils) and a WCC standalone three waters CCO and the existing arrangements i.e. contracted out to WWL). The regional multi council model was favoured. Consultation materials will be developed for Committee approval (along with the LTP-A and Annual Plan) prior to consultation starting mid-March. Council is collaborating with our partner councils on a joint submission on the third water Bill, with submissions due 23 February. Planning for 2025 briefings is underway.'
- Our Emergency Management Office led the coordination for the national Hīkoi, ensuring safety for 42,000 participants with minimal city disruption. An Incident Management Team operated daily from 21 October to 18 November, and a shadow Emergency Operations Centre monitored the event from 19 November.
- A successful regional emergency management exercise took place in November, simulating a large Alpine Fault earthquake, with 124 staff and partner agencies involved. The next exercise, scheduled for May 2025, will focus on a tsunami evacuation scenario.
- Local action plan waste projects including: Single-use and Packaging Waste; Pricing Lever; Reuse, Reduce, and Share; and Construction and Demolition Waste are in the initial phase with the next stage focusing on prioritising and resourcing.
- An offical launch for FillGood occurred in November. This is a collaboration with Sky Stadium, Wellington NZ and Sustainability Trust and, as a first in Aotearoa, brings reusable serviceware to replace single use items to events and venues across the city.
- Joint action with Echo e-waste recyclers saw 11.5 tonnes of e-waste collected during Recycling Week in October, with all items reused or recycled
- The Huntleigh Guides land sales and purchase agreement was completed as was work to demolish the structures and building and make good the site. Revegetation planting will happen over the upcoming years providing another connection for the public to access the Outer Green Belt.
- As part of our capital upgrade and renewals programme we completed the upgrade to the Wakefield Park carpark by providing additional safer parking for users of both the park and golf course.
- An upgrade to the historic Flying Boat jetty (also known as the Cog Park Jetty) was complete this quarter. The jetty was built in late-1940s as the arrival and departure point for Wellington's first international aviation connection with the wider world. The project was partially funded by a donation provided from Sally and Brian Hasell, and ensures the structure is now safe to use for recreational purposes, as well as preserving a piece of aviation history.
- Our Mowing Team are prioritizing our key parks and open space areas with the onset of Spring growth. We are receiving a higher volume of official information requests than usual, which means staff are reprioritising their work to respond to these. The Begonia House continues to remain of high public and media interest, with staff being asked for information.
- The interactive experience Our Changing City was installed in locations across Motukairangi | Eastern Ward from 30th October – 16th December. The pilot project aims to raise awareness of the local impacts of climate change as part of phase two of the Climate Adaptation Community Engagement Roadmap
- A total of 19 applications for the Climate and Sustainability Fund were received in the funding round closing early October, with a requested total of $819,937.26. A total of $305,000 was allocated to 8 successful applicants.

Taiao Financial Summary

Operating performance

Revenue:

Parks and reserve revenue favourable to budget due to one off vested asset recognition. There has also been a one of insurance settlement in relation to the Shelly Bay site. There is a timing difference concerning Better of Funding for water, none of which has been received to date, but $2.7m is anticipated for the full year.

Expenditure:

Favourable due to lower Wellington Water spend, expected to increase in line with full year budget. Insurance and utilities costs are also under budget by $1.2m and $1m respectively. The methodology for the YTD interest charged has changed, but the forecast was based on the previous methodology and will be updated in the Q3 report (Resulting in $15m reduction in variance).

Capital Expenditure performance

Southern Landfill Improvement project $3m behind due to delays in startup, expected to be unspent at year end. Wellington Water underspend $8m, expected to ramp up and catch up by year end. Smaller underspends across multiple projects expected at year end. Sludge project $11m behind but expected to significantly ramp up over the next 6 months to finish $20m overbudget by end of year. The whole of life budget for the project will be increasing from $396m to $428m to recognise move from the P50 to P80 as previously approved by Council, of which $20m will be recognised this year. Currently that is shown as a full year overspend in the adjusted annual plan budget. The budget will also be updated for 2025/26 and 2026/27.Note these costs are fully funded by the IFFAA.

Note: Variance = Favourable / (Unfavourable)

	Year to date ($000's)			**Full Year ($000's)**		
	Actual	**Adjusted Annual Plan**	**Variance**	**Forecast**	**Adjusted Annual Plan**	**Variance**
Revenue	20,886	19,736	1,150	42,746	39,472	3,274
Expenditure	175,916	178,217	2,301	369,090	355,055	(14,035)
Net Surplus/(Deficit)	(155,030)	(158,481)	3,451	(326,344)	(315,583)	(10,761)
Capital Spend	77,800	103,112	25,312	223,476	213,493	(9,982)

Wellington Water Limited

Wellington Water Non-financial KPI results

	Met target	Off target	Not met target	Total reported	Reported later
This period (Q2)	23	0	8	31	2
Last period (Q1, 24/25FY)	23	0	7	30	3
KPIs tom be reported at a later period:	two reporting annually				

KPIs can report at monthly, two monthly, quarterly, 6monthly or Annual intervals with all activity captured in the quarterly report or annual report

Reporting thresholds: Met = at target-2.49%; Off target = 2.5-4.99%; Not met = ≥5%

Introduction

This Council Controlled Organisation is responsible for 33 LTP KPIs (which are 26% of our total LTP KPIs). Of these 30 KPIs are reported quarterly, one reports in Quarter 2 and 3 only, and two report annually.

Wellington Water Limited (WWL) provides details of its KPI performance which is captured on this page, with their financial performance detailed on the page below.

WWL's quarterly project status and operational report is contained in the appendices section at the end of the main report.

Performance summary

This quarter there has been a continuation of improvement in performance across most KPIs. KPIs not meeting their targets have shown improvement ranging from 3% through to 68% against Q1 FY25 results. The underpinning services for the eight KPIs which did not meet their target (detailed below) are continuing to benefit from increased investment and improved job management.

- *Median response time for attendance for water network urgent call outs (attendance time minutes) (a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site* -This KPI has not met its target (result: 71minutes against a target of 60minutes).

  Although this KPI missed its target there has been a 29% improvement in attendance times compared to Q1 FY25 result of 95 minutes. This progress is largely attributed to the reduced backlog, which has allowed WWL to respond to and resolve jobs more efficiently, along with the advantages of the off-peak period.

  This KPI may meet its target next quarter.

- *Median response time for attendance for water network non-urgent call outs (attendance time hours) (c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site* – This KPI has has not met its target (result: 93.6 hours against a target of 36 hours).

  Despite not meeting the target, this KPI has seen a continued significant improvement in resolution times for non-urgent jobs. This period there has been a 43.7% improvement which is on top of the Q1 348% improvement when compared to the FY24 result of 654 hours. This progress is the result of increased investment and continuous advancements in job management which have substantially reduced the backlog and improved WWL response times.

  This KPI will not meet its target next quarter

- *Median response time for resolution for water network non-urgent call outs (attendance time days) (d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption* – This KPI has not met its target (result: 13.3 days against a target of 5 days).

  There has been another notable improvement in resolution times for non-urgent jobs compared to Q1 FY25 result of 27 days. This 68% positive shift is driven by increased investment, and better job management, all of which have significantly reduced the backlog and accelerated resolution times.

  This KPI will not meet its target next quarter

- *Average drinking water consumption per resident/day. The average consumption of drinking water per day per resident within the territorial authority district* - This KPI has not met its target (result: 392 litres against a target of 365 litres).

  Increased investment has supported improved performance in reducing leaks and the backlog to more manageable levels. While this KPI has had a marginal 3% improvement in consumption rates compared to Q1 FY25, further improvement is expected from the impact of reducing leaks.

  This KPI is not expected to meet its target next quarter

- *Dry weather wastewater overflows, expressed per 1000 connections. The number of dry weather sewerage overflows from the territorial authority's sewerage system expressed per 1000 sewerage connections to that sewerage system.* -This KPI has not met its target (result: 2.6 dry weather sewerage overflows against a target of 0).

  While not meeting its target, this KPI has continued to show significant improvement with a 15% better performance than Q1 FY25.

  This KPI is not expected to meet its target next quarter

- *Median response time for wastewater overflows (attendance time minutes).Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: (a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site* - This KPI has not met its target (result: 71 minutes against a target of 60 minutes).

Again, while not meeting its target, this KPI has continued the overall improvement story with a 9.4% improvement against its Q1 FY25 result of 78 minutes.

Some wastewater events are incorrectly classified when logged as it is not always easy to ascertain if a leak is coming from a water or wastewater pipe. This results in those misclassified jobs not being responded to with urgency. All correctly classified jobs were responded to within target timeframes.

This KPI may meet its target next quarter.

- *Compliance with the resource consents for discharge from the sewerage system, measured by the number of a. abatement notices; b. infringement notices; c. enforcement notices; and d. convictions received by the territorial authority in relation to those resource consents - This KPI has not meet its target* (result: 1 abatement notice against a target of 0)

  An abatement Notice (A1112) was issued for the Moa Point waste water treatement plant for completion of stage three of the Inlet Pump Station renewal project. This project is on-track to meet the abatement notice coditions.

  This KPI may meet its target next quarter.

- *Monitored sites (%) that have a rolling 12 month median value for E.coli (dry weather samples) that do not exceed 1000 cfu/100ml* – this KPI has not met its target (result: 76% against a target of 90%)

  This KPI has seen a sharp decline of 20% in performance between Q1 (93%) and this quarter (76%).

  We are seeking further details from Wellington Water to understand the drop in performance.

  This KPI is not expected to meet its target next quarter

Note: From August 2024, there has been a change in the way water quality is being measured with a single Department of Internal Affairs mandatory KPI which has ten separate elements relating to diffferent aspects of the Drinking Water Quality Assurance Rules 2022. Because it is possible to be complaint or non compliant on any of the elements, we will be reporting against the ten elements separately and will consider each an individual KPI. This substantially increases the number of KPIs for WWL reporting.

Wellington Water Financial Summary

Q2 information yet to be received

Wellington Water Delivery metrics - Q2 information yet to be received

Whanaketanga ōhanga
Economic Development

Whanaketanga ōhanga Non-financial KPI results

	Met target	Off target	Not met target	Total reported	Reported later
This period (Q2)	2	0	5	7	5
Last period (Q1, 24/25FY)	1	0	4	5	7
KPIs to be reported at a later period:	five report annually				

KPIs can report at monthly, two monthly, quarterly, 6monthly or Annual intervals with all activity captured in the quarterly report or annual report

Reporting thresholds: Met = at target-2.49%; Off target = 2.5-4.99%; Not met = ≥5%

Introduction

This strategic activity area is responsible for 12 LTP KPIs. (10% of the LTP KPIs). Of these five KPIs report quarterly, four report 6-monthly and three report annually.

The main business unit which operates in this strategic area is Economic Wellbeing and Council Controlled Organisations.

Performance summary

Five of the seven KPIs reporting this quarter have not met their target, This is primarily due to phasing of data, the expectation is that these KPIs will meet their target at years end.

- *Number of businesses engaged by a WellingtonNZ intervention or programme* – this KPI did not meet its target (result of 933 against target of 1,250)
    - Data supporting this KPI is lag with numbers increasing throughout the year. Therefore, while below its quarterly target, this KPI is on track to meet its target at years end.

    WREDA: ($m) Value of expenditure generated from events (including business, performance and major events) – this KPI did not met its target (result $56.6m against target of $60m.

  Data supporting this KPI is lag with numbers increasing throughout the year. Therefore, while below its quarterly target, this KPI is on track to met its target at years end.
- *Māori business support: a. Number of Māori businesses and projects supported across WNZ* – this KPI did not meet its target (result 34 against target of 37.5)

  This KPI is on track. The phasing of Māori businesses and projects supported is weighted to the second half of the year and is expected to meet its target.
- Pasifika business support: a. Number of Pasifika businesses and projects supported across WNZ – this KPI did not meet its target (result 2 against 7.5).

  This KPI is on track. The phasing of Pasifika businesses and projects supported is weighted to the second half of the year and is expected to meet its target.
- *($m) Direct economic impact of Wellington NZ's activities and interventions* – this KPI did not met its target (result of $97.5m against target of $100m)

  Data supporting this KPI is lagging with Major event result data not complete. Therefore, while below its quarterly target, this KPI is on track to met its target at years end.

Key activity

- **Cost Escalation** continues to be a challenge for CCOs and Tākina. This was acknowledged through the 2023/24 annual plan operating grant funding review and living wage assistance support for CCOs. Cost pressures however remain - particularly staff remuneration. Cost control within CCOs and Tākina is being monitored closely, with a stronger focus on commercial outcomes to offset potential impacts.
- **The macro-economic environment** remains tough for Wellington: with rising unemployment due to central government job and spending cuts, a cost-of-living crisis and higher interest rates. Additionally, working from home trends, an increase of young people moving offshore, inflationary pressures, falling university enrolments, stagnant GDP growth, and a lack of sector diversity in Wellington's economy are impacting on the business operating environment and vibrancy of Wellington.

- **Major Events as an economic enabler** continue to be a significant contributor to Wellington's tourism sector and downtown retail and hospitality businesses. They are more important than ever given the impact of central government job cuts and a challenging economy. During the quarter, the Basin Reserve hosted the sold-out BlackCaps v England test match that had significant out of town visitation due to the touring English fans. An almost sold-out TSB Arena hosted the NZ Breakers for the first time in five years when they played the Sydney Kings. During the quarter Sky Stadium supported by the Major Events fund successfully won the rights to host two major All Black test matches in 2025, against France and South Africa.
- Through the **Economic Wellbeing Strategy** the Courtenay Precinct Plan has reached its first-year milestone with delivery of 19 (of thirty) actions against the plan. Highlights include:
    - Improved public space, additional targeted cleaning, the centenary Embassy celebrations, supporting business-led activations and marketing promotions to help change the perception of the area.
    - Opened the city's newest mid-sized music venue Meow Nui.
    - In October, Wellington's tech sector celebrated the opening of Taiawa Wellington Tech Hub at Victoria University, with 60 full-time tech sector workers from thirteen high-growth Wellington companies.
    - In November, business support for areas of the city undergoing significant construction works was expanded with the launch of a pilot scheme to test small business microgrants for businesses in Thorndon Quay.
- **Tākina's** forecast annual FY24-25 business levels for conferencing are consistent with FY23-24. Typically quarters 1 and 2 are the strongest period for the conferencing business, which then softens during the summer months but picks up again in quarter 4. The capital programme is on target with the move of the iSite to the ground floor of Tākina occuring in November. Additional signage will occur in quarter 3.

  Council approved changes to the operating model this quarter, which sees WellingtonNZ take a stronger lead in management and coordination of Tākina's operation and driving commercial outcomes.

  Tākina has had a busy time during the quarter hosting 24 conferences, Highlights include:
    - 8,275 conference delegates and 19,434 visitor nights for Wellington.
    - The largest conference hosted in this period was the 800 delegate Royal Australian and New Zealand College of Obstetricians and Gynecologists. In addition, close to 1000 participants took part in the Te Anga Pāua o Aotearoa National Kapa Haka Festival.
    - A bid to host more than 500 of the world's leading climate scientists for the Climate & Cryosphere Open Science (CliC) conference in Tākina was successful. This is a once a decade event that will take place in 2026.
    - The Dr Who Worlds of Wonder exhibition closed on 28th October with great reviews from attendees, and The Art of Banksy exhibition opened on 28th November. The iSite relocation to Tākina has been a great addition to the public ground floor space with both guests and the staff enjoying the new location.

Whanaketanga ōhanga Financial Summary

Operating performance

Revenue:

Unfavourable due to lower than planned exhibition and conferencing revenue. Exhibition revenue forecast to be unfavourableis year end as the operating model for exhibitions are changing to a rent based model with corresponding OPEX savings.

Expenditure:

Unfavourable variance due to delayed grant paid to Sky Stadium ($2.3m) which was budgeted in prior year. This has been partially offset by temporary underspending in the areas of Destination Wellington and Tākina. Tākina expenses forecast to reduce in line with the change in Exhibition operating model.

Capital Expenditure performance

Underspending in Venues renewals and the St James stage lift. These variances are expected to remain at year end.

Note: Variance = Favourable / (Unfavourable)

	Year to date ($000's)			Full Year ($000's)		
	Actual	Adjusted Annual Plan	Variance	Forecast	Adjusted Annual Plan	Variance
Revenue	9,946	10,802	(856)	17,773	21,604	(3,831)
Expenditure	30,286	29,386	(900)	57,521	58,700	1,179
Net Surplus/(Deficit)	(20,340)	(18,584)	(1,756)	(39,748)	(37,097)	(2,652)
Capital Spend	90	2,352	2,262	2,383	4,704	2,321

Oranga ahurea Cultural Wellbeing

Oranga ahurea Non-financial KPI results

	Met target	Off target	Not met target	Total reported	Reported later
This period (Q2)	6	0	0	6	5
Last period (Q1, 24/25FY)	1	0	0	1	11
KPIs to be reported at a later period:	five report annually				

KPIs can report at monthly, two monthly, quarterly, 6monthly or Annual intervals with all activity captured in the quarterly report or annual report

Reporting thresholds: Met = at target-2.49%; Off target = 2.5-4.99%; Not met = ≥5%

Introduction

This strategic activity area is responsible for 12 LTP KPIs (9% of the LTP KPIs). Of these one KPI reports quarterly, five report 6-monthly and six report annually.

The main business unit which operates in this strategic area is Creative Capital, Economic Wellbeing and Council Controlled Organisations.

Performance summary

All of the six KPIs reporting this quarter have met their targets.

Reporting for the first time in quarter 2 is performance for both Toi Poneke and the Hannah Playhouse. Toi Poneke has exceeded its targetrs for programming sourced from Māori, Pasifika peoples and minority groups across its exhibitions and public programmes. Similarly the Hannah has exceeded with 20 of 29 programmes delivered during the quarter explicitly supporting Māori, Pasifika, access and underrepresented groups.

Key activity

- Creative Capital's priorities include a number of major projects such as Te Matapihi and Town Hall (client-side programmes), Reimagining Toi Pōneke as well as delivery of City Arts and City Events programmes.
- Progress on Te Matapihi this quarter includes the finalisation of the Mātauranga Māori strategy and Kawa Tikanga framework developed in partnership with mana whenua; formalisation of Noku te Ao Capital E's relocation to Te Matapihi; and ongoing work on digital, wayfinding, brand and service development.
- Signature Events this quarter included Christmas in the Quarters and New Year's Eve on the Waterfront which attracted an estimated 32,300 attendees despite challenging weather conditions, which confirms their enduring appeal.
- Community events supported this quarter included Spring into Tawa, Brooklyn Twilight Festival, Polish Christmas Market, Khandallah Village Fair, and the Wellington Theatre Awards which in total brought an estimated 12,000 people together.
- The very special Embassy Theatre 100th Birthday celebration was a standout event featuring façade projections, backstage tours in partnership with Mt Victoria Historical Society, and a screening of 10 Commandments (1924) – the first film ever shown at The Embassy – delivered with Events Cinema and the Wellington Film Society to an estimated combined audience of 13,500.
- The Diwali Festival, delivered in partnership with the Community Action Trust New Zealand, achieved record-breaking attendance, with over 20,000 people joining the celebrations.
- Ngā Mātaiarorangi – The Stargazers, an interactive projection created by StoryBox for the 2024 Matariki Ahi Kā Festival, was named a finalist for the Best Design Award, showcasing Wellington's commitment to innovative and high-quality public space activation.
- In October we partnered with Matewa Productions and Disney for the screening of Encanto Te Reo Māori at the Embassy Theatre, celebrating Māori language and culture. We partnered with them again in November, along with our Mataaho Aronui team, for screenings of Moana 2 in Te Reo Māori at the Empire and Roxy Cinemas attracting full audiences.
- Recommendations for funding in Arts and Culture and Living Wage grants were approved by the Council's Grants Subcommittee on 4 December. The Arts and Culture

round received 47 applications requesting a total of $559,814, with 28 successful applicants awarded $177,361. The Living Wage round had 13 successful applicants, receiving a total of $100,597. The Public Art 3rd funding round submissions were considered at the Public Art Panel hui early December with the successful recipient, Ant Nevin and his work Fluid Features, receiving a grant of $28,000.

Oranga ahurea Financial Summary

Operating performance

Revenue:

Revenue is tracking to budget with no material variance. Expected to remain in line at year end.

Expenditure:

Expenses are favourable YTD due to a temporary saving in Grants expenditure within Creative capital. This expenditure will likely take place in the 3rd quarter. Toi Poneke is favourable to budget and this will continue. City Arts favourable to budget as funds have not yet been committed.

Capital Expenditure performance

Underspent as behind plan on a number of projects. No expenditure expected for the Bond Store and Maori Heritage trails.

Note: Variance = Favourable / (Unfavourable)

	Year to date ($000's)			**Full Year ($000's)**		
	Actual	**Adjusted Annual Plan**	**Variance**	**Forecast**	**Adjusted Annual Plan**	**Variance**
Revenue	338	293	45	619	587	32
Expenditure	13,762	15,905	2,142	27,968	29,058	1,090
Net Surplus/(Deficit)	(13,424)	(15,611)	2,187	(27,349)	(28,472)	1,123
Capital Spend	134	1,740	1,606	1,057	3,503	2,445

Pāpori me te hākinakina
Social and Recreation

Pāpori me te hākinakina Non-financial KPI results

	Met target	Off target	Not met target	Total reported	Reported later
This period (Q2)	7	0	0	7	11
Last period (Q1, 24/25FY)	7	0	0	7	13
KPIs to be reported at a later period:	11 KPIs report annually				

KPIs can report at monthly, two monthly, quarterly, 6monthly or Annual intervals with all activity captured in the quarterly report or annual report

Reporting thresholds: Met = at target-2.49%; Off target = 2.5-4.99%; Not met = ≥5%

Introduction

This strategic activity area is responsible for 18 LTP KPIs (14% of the LPT KPIs). Of these seven KPIs report quarterly and 11 report annually.

Business units which operate in this strategic area include: Parks, Sports and Recreation; Libraries and Community Spaces; Economic Wellbeing and Council Controlled Organisations; Connected Communities and Consenting and Compliance.

Performance summary

All seven KPIs reporting this quarter have met their target.

Key activity

- The 6 yearly closure of Karori Pool was completed, with a focus on making the facility more energy efficient. A new supply and extract fan for the main pool was installed, which will decrease the energy consumption for heating the pool. The skylights over the main pool were replaced and general maintenance completed including painting, refreshing the changing room facilities and reconditioning pumps.
- We completed the renewal of the Alex Moore artificial turf, using the organic timber fibre fill which is more environmentally friendly. We supported St Patricks College with the renewal of their artificial field which is due to reopen in time for the start of the new school year. We also renewed our partnership agreement with the College for a further 10 years.
- Council won four awards in the annual Recreation Aotearoa awards. "Outstanding Park 2024" went to Council and the Mākara Peak Supporters for Mākara Peak Mountain Bike Park. We won two awards for Outstanding Research, Policy & Planning 2024: Council and Sport NZ for Skate Guidelines for Local Government; and Council and Visitor Solutions for Te Awe Māpara Community Facilities Plan. And Paul Andrews Manager Parks, Sport & Recreation won the Ian Galloway Memorial Cup 2024 for his contribution to the wider parks sector.
- There has been an increase in anti-social behaviour at some of our facilities, particularly in the Kilbirnie area. We are working closely with our security team and the Police to manage the situation and to support staff.
- Tawa Recreation Centre, owned by Tawa College, closed temporarily in mid-December, with re-opening expected mid-March. The closure seriously impacted our January holiday programme requiring it to be cancelled, as well as facility bookings, leagues and programmes, There have been ongoing issues with weather tightness including a leaky roof as well as earthquake strengthening requirements.
- The closure has meant we have had to deploy staff to other recreation facilities for the duration of the works.
- Work to review the Social and Recreation fund to provide a framework to support social grant funding decisions, aligned to the strategic priorities of the Council and the long term plan began this quarter, and will be presented to the Grants Subcommittee in March 2025. Engagement has occurred with all multi-year funded organisations and with the philanthropic and community funding sector who are broadly supportive of the direction being taken. As part of the transition to the new funding framework, funding agreements will be rolled-over for a further twelve months to June 2026.

- Te Wāhi Āwhina closed on 16 December 2024. While originally planned to close in late 2023, funding was provided by the Ministry of Housing and Urban Development to retain the service for a further year. The Te Wāhi Āwhina team have focused on transitioning service users to alternative services and ensured that information on how to access support remains available.
- Work to procure a new graffiti removal contractor is underway, combining the Council's two existing (Transport assets and other) contracts into a single contract with a streamlined process, improving the experience that people have when reporting graffiti to the Council. This is on track to be in place from 1 July 2025.
- The Māori Kai Sovereignty Network has been established, with the group holing an initial wānanga and kumara planting event. The group are now working to identify projects that can proceed with support from the Council including financial support or other identified resources. This is a community led, and Council supported network that will take some time to be fully up and running.
- Additional Workstreams of the Sexual Violence Prevention, Programme management of the Accessibility Action Plan, Composting Hub Trials, Te Anamata Ā-Kai o Tō Tātou Tāone, City Safety Plan, Provision of WCC Security Services, Leadership of CIMS Welfare Function, Administration of Grant Funding, Responding to the Impacts of Homelessness, Support for the City's Youth we continue to deliver on and at this stage have no concerns to note.
- Along with libraries around the Wellington Region we ran the very successful Beyond the Page event in the October school holidays. This was the largest literary event for children in New Zealand at 130 events over two weeks plus a creative writing competition.
- We tested some of the Te Matapihi digital windows concepts with the 23 teens attending the first meeting of the Library Youth Advisory Group; Tūhono our publication of children's poetry was published with a second volume of teen poetry; Kākano our Seed Library was launched at Newtown Library with media coverage and excellent reach on social media; over 100 people attended the Dia de los Muertos event in Karori; Tawa Library celebrated their 50th birthday; and Te Awe had its busiest day on Tuesday 17 December clocking 2955 customers through the door, 700 more than the same day in 2023.
- Health and safety incidents arising from increased intensity and volatility of customer behaviours continue to drain staff time.

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Pāpori me te hākinakina Financial Summary

Operating performance

Revenue:

City Housing revenue is favourable to budget but is expected to track to budget over the rest of the year. Lower revenue is expected for rest of year for Public Health activities.

Expenditure:

Favourable YTD with temporary underspends due delays in grants expenditure expected to occur in Q3, bringing it back up to budget by year end. Unfavourable variances in city and consenting with debts being written off, and cost pressures in Animal Control services.

Capital Expenditure performance

Community participation & support is $24.6m behind budget mostly in HUP 2 projects ($18.7m) due to a delay in the start of the project, expected to be undperspent by $22.2m (HUP2 $18.2m) at year end. City Safety project - Te Aro Park toilets - ($2m) behind budget due to changes in the timing of work originally planned. Community Centres upgrades and renewals $2.5m behind plan, forecasted to remain unspent at year end.

Note: Variance = Favourable / (Unfavourable)

	Year to date ($000's)			Full Year ($000's)		
	Actual	Adjusted Annual Plan	Variance	Forecast	Adjusted Annual Plan	Variance
Revenue	20,642	19,495	1,147	39,924	40,962	(1,038)
Expenditure	87,895	90,333	2,438	180,789	179,448	(1,341)
Net Surplus/(Deficit)	(67,254)	(70,838)	3,585	(140,865)	(138,486)	(2,379)
Capital Spend	15,770	39,913	24,143	44,814	77,205	32,391

Tāone tupu ora
Urban Development

Tāone tupu ora Non-financial KPI results

	Met target	Off target	Not met target	Total reported	Reported later
This period (Q2)	5	0	3	8	3
Last period (Q1, 24/25FY)	5	1	2	8	3
KPIs to be reported at a later period:	three KPIs report annually				

KPIs can report at monthly, two monthly, quarterly, 6monthly or Annual intervals with all activity captured in the quarterly report or annual report

Reporting thresholds: Met = at target-2.49%; Off target = 2.5-4.99%; Not met = ≥5%

Introduction

This strategic activity area is responsible for eleven LTP KPIs (9% of the LTP KPIs).Of these eight KPIs report quarterly and three report annually.

Business units which operate in this strategic area include: Consenting and Compliance; Strategic Planning; City Design; City Development; City Housing; and elements of Mataaho Aronui.

Performance summary

Of the eight KPIs reporting this quarter, three have not met their target with details below.

- *(%) Resource consents (non-notified) issued within statutory timeframes:- (a) Those not requiring external referral input* – this KPI did not meet its target (result of 91% against target of 98%).

  The 2024 District Plan now addresses issues that are particularly complex and are taking more time to work through, such as the inclusion of a natural hazards chapter and the need to evaluate and comprehend highly technical reports. To address this, we are upskilling our Planners with the support of GNS who are providing training.

  The counterpart to this KPI – resource consents requiring external referral input - met its target this quarter. The separation of the two components is allowing Council to focus in on services that require specific improvement.

  This KPI is expected to meet its target next quarter.

- (%) Building consents granted within statutory timeframes:- (b) Those requiring structural engineering review – this KPI did not meet target this quarter (result of 13% against target of 70%).

There are several factors affecting this KPI's performance: we have been working to develop new functionality within Toha Mahi (our consent allocation tool) to provide enhanced visibility for leadership to allow for better tracking of consents passed to contractors who provide highly technical structural engineering advice; a more proactive contractor management approach has begun with meetings taking place with relevant company directors where a review of current allocations, performance concerns, and allocation of new work is discussed. This approach aims to encourage company directors to more effectively manage their contractual obligations and ensures work is assigned to firms with appropriate capacity; multiple RFI rounds have been undertaken, particularly for large commercial consents with structural and/or geotechnical components. This reflects a systemic issue repeatedly identified in New Zealand.. A recent report by BRANZ notes weaknesses in building consent applications, poor demonstration of code compliance, and an inability to respond effectively to RFIs.

The BCC team has initiated several actions to reduce the frequency of RFIs as a result of these industry weaknesses. They will continue to collaborate with the industry to address common and frequently requested items. We have raised the frequent need for RFI and the quality of building consent applications with MBIE as part oflast quarters submissions on the consenting system.

This KPI is unlikely to meet its target next quarter

The counterpart to this KPI – building consents not requiring structural engineering review - met its target this quarter. The separation of the two components is allowing Council to target services that require specific improvement.

- *Resource consents (non-notified) for multi-unit housing issued within statutory timeframes* – this KPI did not meet target this quarter (result of 60% against target of 85%).

  Multi-unit applications are complex and require significant evaluation and input from many sources and this can take time to coordinate depending on respective workloads. We are working to improve our processes and will continue to treat multi-unit applications as a high priority in order to improve on this metric. We note that the 2024 District Plan has updated the definition of a multi-unit development from two or more dwellings to four or more dwellings. This means that this measure will no longer be capturing as many dwellings given resource consent is no longer required for developments of two or three dwellings (although a resource consent may be required for other reasons).

  We noted in the Quarter 1 report that we would be imposing a monetary penalty if advice from advisors was late. We are still working through the internal system changes to enable this.

  This KPI will not meet its target next quarter

Key activity

- The final stages of the 2024 District Plan process completion has occurred with hearings concluding in November 2024. Any appeals in the resolution process and Judicial Review will be heard in February. The final decisions on the 2024 District Plan process will be presented to Councillors in April.
- The impacts from the District Plan 2024 have raised the zoned capacity of the city by 52906 homes (2019 vs 2023 base feasibility), reformed natural hazards rules to account for climate and seismic hazards, and provided clearer pathways for resource consent. Next steps include the longer-term development anticipated under the plan which has begun with the review of the Spatial Plan to ensure that joined up infrastructure investment programmes can be developed for subsequent LTPs as well as phased to changes in the city and provided to partners.
- Work is continuing on development of the Underground Asset Map with a proof of concept being used in the City to co-ordinate underground works and provide more certain information to infrastructure planners, investors, workers and regulators.
- Walking, Bus and bike improvement as well as urban design projects in the final stages of delivery continue to produce public and elected member enquiries and engagement. This quarter has seen city design programme planning, which was in full swing in Q1 slowed down due to the uncertainty created by the LTP amendment and NLTP funding announcements. Focus has been on delivery of projects in construction and assisting in developing options for reducing, rescoping or rephasing budgets to input into the LTP amendment process.
- The Te Kāinga programme has a high, 91%, tenant satisfaction and programme occupancy is also high, at 96.8% for the year-to-date. Softening in winter occupancy is expected to be offset in the summer months however there is a risk that occupancy levels may be impacted if the proposed rental increases are adversely received by tenants.
- Contract management is underway for delivery of an additional 183 Te Kāinga apartments, across two new buildings in 2025, which will bring the total number of apartments delivered to 473 - almost halfway towards the 1,000-unit target by June 2026. Work continues to negotiate the next tranche of developments, with several buildings in the pipeline.
- Teams have been working on the cross-business delivery of the Housing Action Plan, our 3-year plan to achieve the Housing Strategy vision of 'all Wellingtonians well-housed'. A number of actions have been progressed and delivered this year, in the areas of affordable housing, social and public housing, rental housing quality, homelessness and mana whenua and Māori. A six-monthly Housing Action Plan update was presented to Committee in December.
- Work has progressed to facilitate development on under-utilised Council-owned sites. This includes the significant milestone of completing the procurement process and appointing a development partner for the old St John's Church site in Karori, which will add 20 new homes to the city's housing supply.
- Another procurement process is in progress for the old Johnsonville library site, to deliver more affordable housing to that area. Due to the current development market conditions there is a risk that a suitable development partner may not be agreed in a timely manner.
- Since 132 Owen St was sold to a co-housing group in July with its redevelopment being followed as a case study to understand the challenges of co-housing in Wellington. The latest update indicates the design is 90% complete with a three unit co-housing development laid out around a shared north facing courtyard with a number of shared facilities.

Tāone tupu ora Financial Summary

Operating performance

Revenue:

Unfavourable due to the timing of an additional Te Kainga building going live ($1.6m). This is now expected next financial year. Building and Resource consent revenues are down ($1.3m), reflecting lower activity in this market. These general trends are expected to continue for the remainder of the year.

Expenditure:

Favourable due to lower than planned Te Kainga rent ($1.5m) due to the delay above, and lower costs in the Earthquake building programme ($1.5m). This is expected to continue until year end. Other underspending is also occurring in the Public Space and Te Ngakau programmes ($0.8m).

Capital Expenditure performance

Over budget due to the Town Hall being ahead of plan. This overspending is expected for the year however over the life of the project it is expected to come in on plan. Offsetting this is the current underspending due to timing on the Frederick Street Pocket Park transaction. This situation will be reviewed nearer years end when a final forecast is completed. If required approval would be sought to bring forward future funding.

Note: Variance = Favourable / (Unfavourable)

	Year to date ($000's)			Full Year ($000's)		
	Actual	**Adjusted Annual Plan**	**Variance**	**Forecast**	**Adjusted Annual Plan**	**Variance**
Revenue	15,516	18,639	(3,124)	31,409	37,190	(5,781)
Expenditure	37,429	40,881	3,452	76,568	79,386	2,818
Net Surplus/(Deficit)	(21,914)	(22,242)	328	(45,158)	(42,196)	(2,963)
Capital Spend	32,682	32,154	(528)	63,232	62,331	(901)

Waka Transport

Waka Non-financial KPI results

	Met target	Off target	Not met target	Total reported	Reported later
This period (Q2)	7	0	1	8	18
Last period (Q1, 24/25FY)	7	0	1	8	18
KPIs reported at a later period:	18 KPIs report annually				

KPIs can report at monthly, two monthly, quarterly, 6monthly or Annual intervals with all activity captured in the quarterly report or annual report

Reporting thresholds: Met = at target-2.49%; Off target = 2.5-4.99%; Not met = ≥5%

Introduction

This strategic activity area is responsible for 26 LTP KPIs (which are 21% of the LTP KPIs). Of these eight KPIs report quarterly and 18 report annually.

Business units which operate in this strategic area include: Transport and Infrastructure; Parking Services; City Design; Economic Wellbeing and Council Controlled Organisations.

In the 2024 LTP we have a new suite of KPIs linked to our parking services performance. In quarterly reporting, these include responding to service requests for parking obstructions and resident parking, as well as monitoring parking infringement appeals.

Performance summary

Seven of eight KPIs have been met this quarter.

The Cable Car did not achieve its SOI target for this quarter because two KPIs which report quarterly did not meet their target. Details are shown below.

- *Cable Car Company Limited – achievement of Statement of Intent KPIs (2 report quarterly) – Passenger Trips (result 255,012 against target of 272,000) and Fare Revenue (result $1,043,601 against a target of $1,109,268) - did not meet their targets.*

For both KPIs the results were due to passenger numbers being lower than anticipated because of a combination of cruise ship cancellations and poor weather.

Both KPIs are expected to meet their targets next quarter.

Key activity

- Significant preparation and support activity was undertaken for the Te Hīkoi mō te Tiriti demonstration and also the 'Super week' on Lambton Quay.
- The impact of the $68m loss of NZTA revenue flowed on to the proposed CAPEX saving requirement for the LTP amendment and subsequent consultation. A few work programmes have been halted so not to commit Council to contracts that may not be funded. However, we are confident that the balance of the work programmes are still largely achievable.
- Work completed this quarter includes:
    - Berhampore Town Centre upgrade of traffic signals for cycle advance movements and raised crossings for traffic calming as well as work on Berhampore component of the Island Bay to Newtown cycleway (excluding Luxford St)
    - Marsden Village bus build out on Karori Road and installation of the Karori cycleway segment between Old Karori Road and Karori Mall as well as further work on the Karori to Botanic Gardens cycleway segment.
    - Kilbirnie cycleway segment was completed between Rita Angus Retirement Home on Onepu Road to Rongotai Road intersection. The Onepu/Rongotai/Evans Bay traffic signal intersection upgrade was completed.
    - Other work includes installtation of the Thorndon connections cycleway, the Little Karaka Bay sea wall, installation of traffic signals at Boxhill and the upgrade of Island Bay Town Centre.
- Proress continues on the activities that comprise the Parking Programme as follows:
    - The Charged Up Capital project has achieved all its initial targets with further delivery on hold while information is gathered for reporting back to committee on next steps.
    - The Newtown, Berhampore and Wadestown projects are in various stages of delivery with the first stages of Newtown on target to achieving project objectives.

  - The car share and city logistics activities are in the planning stage.
- Challenges for the successful delivery of the Parking Programme remain obtaining sufficient funding for the desired scale of change; integration and delivery of the former Let's Get Wellington Moving parking projects, particularly as much of this work is unfunded; and also public acceptance of the changes directed through the parking policy, including moving toward more of a user pays model.

Waka Financial Summary

Operating performance

Revenue:

Parking revenue currently favourable to plan, however is forecasted to be unfavourable because of increased parking revenue not materialising. This variance does not recognise the NZTA Grant Revenue gap identified in the Statement of Financial Performance on Page6 of this report. This allocation of funding is not currently reflected in the Transport strategic activity.

Expenditure:

Favourable to plan predominantly due to Major Capital Works underspend ($2.5m and forecasted $1.5m full year). Further underspend in City transport contract costs of $5.1m, this underspend is forecasted to continue for rest of the year. Depreciation forecasted to be favourable to Plan $2.2m. Interest charged to Transport Assets methodology has changed. This is not reflected in forecast. Next forecast will be revised to effectively equal BDR by year-end ($6.2m increase in internal interest charge).

Capital Expenditure performance

The Cycling programme is $1.1m under plan to date, anticipated to be under plan by $5.4m at year end relating to the uncertainty around the LTP amendment process. Major Capital projects $11.2m behind budget, expected to be under spent to plan by $14.2m by year end due to delays. General road renewals and upgrade projects $4m behind budget in part due to seasonality and expected to pick up over summer months. Parking acquisition of car parks and meter installations are behind budget by $2m due to uncertainty of timing around acquisitions.

Note: Variance = Favourable / (Unfavourable)

	Year to date ($000's)			Full Year ($000's)		
	Actual	**Adjusted Annual Plan**	**Variance**	**Forecast**	**Adjusted Annual Plan**	**Variance**
Revenue	27,582	24,675	2,907	55,817	53,345	2,472
Expenditure	70,653	78,325	7,673	140,327	155,914	15,587
Net Surplus/(Deficit)	(43,071)	(53,651)	10,580	(84,510)	(102,569)	18,059
Capital Spend	49,108	69,625	20,518	112,647	137,432	24,785

Key Strategy Reporting

Key organisational strategies for 24 LTP

This LTP we have selected five key cross organisational strategies that have a city focus for change that supports our move towards to our vision: *Poneke, where people and nature and thrive*.

The suite of strategies are:

- Te Atakura First to Zero
- He Rautaki Ōhanga Oranga: Economic Wellbeing Strategy
- Tūpiki Ora Māori Strategy
- Te Whai Oranga Pōneke: Open Space and Recreation Strategy
- He anamata para kore mō Pōneke: A zero waste future for Wellington, Zero Waste Strategy

We will be reporting the implementation and action status for the strategies on a rotating basis.

The RAG status by strategy is shown in the table on this page.

This quarter the deep dive strategy is

He Rautaki Ōhanga Oranga: Economic Wellbeing Strategy.

The deep dive information is provided in Appendix 1, with a summary of performance shown below.

Overall status of strategy is Green

The Economic Wellbeing Strategy is now in its third year of delivery. Q2 FY25 was a busy period with business and sporting events held at Wellington's venues, continual rollout of support for independent businesses in the central city and a new International Relations policy adopted. Collaboration and creativity continue to sit at the heart of delivery under the Economic Wellbeing Strategy, with initiatives like Tākina playing a crucial role in supporting the city's economy as it faces ongoing challenging macro-economic conditions.

Summary information for the other fours strategies follows.

Key Strategy results for quarter

	RAG Status	Comment
Te Atakura First to Zero	Amber	See section head
He Rautaki Ōhanga Oranga Economic Wellbeing Strategy	Green	**Deep Dive this quarter**
Tūpiki Ora Māori Strategy	Green	See section head
Te Whai Oranga Pōneke: Open Space and Recreation Strategy	Green	See section head
He anamata para kore mō Pōneke A zero waste future for Wellington, Zero Waste Strategy	Green	See section head

Te Atakura First to Zero

Overall status of strategy is Amber

- Progress on the city's targets is dependent on strong action by Council, central government, and the private sector to create systemic change. While Council is on track to deliver the actions funded in the 2024 Long-term Plan (LTP), more policy and investment is required to change the status of Te Atakura to green, particularly from central government as outlined in the Climate Change Commission's first monitoring reports on emissions reduction and adaptation policy. The Council will continue to progress our work programme to ensure we do our bit to achieve the goals in Te Atakura.
- The Te Atakura 2024 Update went to the Kōrau Tūapapa | Environment and Infrastructure Committee on 5th December, showing our progress against our targets. This update included the revised implementation plan reflecting the funding on actions in the 2024 Long-term Plan. Finalising both the Council and City emissions reports took longer than anticipated. These are now complete and published on the Council website.

Tūpiki Ora Māori Strategy:

Overall status of strategy is Green

- This quarter we have invested significant energy into working more collaboratively within Council. We have carried out engagements with many business units across the organisation to better understand their work in relation to Tūpiki Ora, Tākai Here and outcomes for Māori. We will continue such engagements throughout the remainder of the year.
- We remain on track to deliver our annual Tūpiki Ora Work Programme. In addition, we have also attended to some unexpected mahi that aligned with our Tūpiki Ora goal to ensure that Council decision-making is underpinned by Te Tiriti o Waitangi and actively addresses and considers mana whenua perspectives and values:
- Worked across the organisation and in close partnership with our Tākai Here partners to ensure that the Hīkoi mō te Tiriti that took place in Wellington on 19 November was a safe and positive experience for all who attended.
- Prepared Council's submission in opposition to the proposed Treaty Principles Bill which was endorsed by Council on 17 December.

Te Whai Oranga Pōneke: Open Space and Recreation Strategy:

Overall status of strategy is Green

- The implementation continues to progress across many action items, including focus on investment planning and reviewing the Leases Policy.
- We ran free LesiureCard exercise sessions for the Wellington Homeless Trust and Wesley Community Action.
- We have progressed working in partnership with Mana Whenua across multiple projects including the development of the Coastal Reserves Management Plan, Te Kopahou Reserve and Matairangi trails. Some progress is slowed due to funding and resource challenges however this is being actively managed.

He anamata para kore mō Pōneke: A zero waste future for Wellington, Zero Waste Strategy:

Overall status of strategy is Green

- The Zero Waste Strategy and recently adopted regional Waste Management and Minimisation Plan are purposefully future focused and ambitious. Since the last update, four new local projects have been initiated. These are 'Reuse, Repair and Share', 'Single-Use and Packaging Waste', 'Construction & Demolition - Future Pathways and Opportunities' and 'Pricing Levers'.
- The government's latest announcement on waste minimisation does not impact WCC's LTP waste implementation programme.
- Progress continues on the introduction of kerbside food scraps/garden waste collections which was approved as part of the 2024-34 Long-Term Plan.
- To measure success, monitoring and reporting are required. A new audit of landfill and kerbside waste has been commissioned to start in early 2025, with findings expected by Q1 25/26.

Appendix

In this section

Appendix 1: Key Strategy Deep Dive - He Rautaki Ōhanga Oranga Economic Wellbeing Strategy

The 2024 LTP provided an opportunity to review which key strategies will be reported. We have selected five key cross organisational strategies that have a city focus for change which supports our move towards to our vision: *Poneke, where people and nature and thrive.*

The five strategies shown below will provide status updates on their action and implementation plans. Each quarter four strategies will provide a short RAG health status (with explanation for Amber or Red status), and one strategy will provide a deep dive report. The cycle of reporting is shown in the table below:

Strategy	Q1 24/25	Q2 24/25	Q3 24/25	Q1 25/26	Q2 25/26
Te Atakura First to Zero	Deep Dive	RAG summary	RAG summary	RAG summary	RAG summary
He Rautaki Ōhanga Oranga Economic Wellbeing Strategy	RAG summary	**Deep Dive**	RAG summary	RAG summary	RAG summary
Tūpiki Ora Māori Strategy	RAG summary	RAG summary	**Deep Dive**	RAG summary	RAG summary
Te Whai Oranga Pōneke: Open Space and Recreation Strategy	RAG summary	RAG summary	RAG summary	**Deep Dive**	RAG summary
He anamata para kore mō Pōneke A zero waste future for Wellington, Zero Waste Strategy	RAG summary	RAG summary	RAG summary	RAG summary	**Deep Dive**

Deep dive details on the following pages

Deep Dive – He Rautaki Ōhanga Oranga Economic Wellbeing Strategy

Overall RAG status: GREEN

Performance Summary:

The Economic Wellbeing Strategy is now in its third year of delivery. Q2 FY24/25 was a busy period with business and sporting events held at Wellington's venues, continual rollout of support for independent businesses in the central city and a new International Relations policy adopted. Collaboration and creativity continue to sit at the heart of delivery under the Economic Wellbeing Strategy, with initiatives like Tākina playing a crucial role in supporting the city's economy as it faces ongoing challenging macro-economic conditions.

Outcome	1: Sustainable business and career pathways	2: Transitioning to a zero-carbon circular economy	3: A Business-Friendly City	4: Centre of Creativity and Digital Innovation	5: Celebrating our Capital City Status	6: A dynamic city heart and thriving suburban centers
Vision	We aim to enable Wellingtonians to have equal opportunities to find meaningful, fairly paid and inclusive work.	We aim to be regenerative by design.	We aim to be Aotearoa New Zealand's city partner of choice for businesses, investors and developers.	We aim to be Aotearoa New Zealand's center for creativity and innovation	We aim to raise the profile of our Capital City.	We aim to be a compact city with a dynamic CBD and thriving suburban centers that are economically productive.
RAG status	Green	Green	Green	Green	Amber	Green
Summary	Pipeline and pathways continue to be a focus with WellingtonNZ are leading collaboration across sectors to support students and young people to gain experience, build skills and access opportunities with a successful end to the school year.	Tākina hosted 27 conferences and launched a new campaign positioning Wellington as a top conference destination. This activity helped bolster the local economy with visitor nights supporting accommodation and hospitality providers. Q2 marks the start of cruise season, with 24 ships scheduled to berth in Wellington providing economic benefits to retailers and hospitality providers.	The business engagement programme continues with both WCCs business engagement and the Business Support Service at WellingtonNZ delivering customer-centric programmes of work. Activity relating to this outcome are reported elsewhere including CCO reporting and International Relations.	Major Events, Tech and Screen sector strategies continue to deliver strong results for Wellington. Detailed reporting on activity against this outcome provided in the upcoming CCO reporting and the annual Economic Wellbeing Strategy report.	This outcome continues to be de-prioritised due to resource constraints, however work attributed to other outcome areas contribute to raising the profile of Wellington as New Zealand's capital including Business Events Wellington (via Outcome 2), International Relations (via Outcome 3) and ongoing partnerships (via economic funds).	Q2's focus continues to be on Courtenay precinct with a key milestone reached and nineteen actions delivered and supporting business-led initiatives. Business support for disruption continues with multiple engagements across key areas of the city. In the suburban areas, the BIDs (Business Improvement Districts) had a busy lead up to Christmas, with a range of networking and beautification initiatives underway.

Programme	Lead	Comments	Status
Outcome 1: Sustainable business and career pathways			
Vision: We aim to enable Wellingtonians to have equal opportunities to find meaningful, fairly paid and inclusive work.			
Career pathways	WellingtonNZ	WellingtonNZ has collaborated with the Ministry of Education (MoE) and local businesses for workplace visits during terms three and four. Aimed at senior high school students with specific sector interests the visits are an opportunity for students to experience and participate in real workplaces and hear about career journeys of young professionals to help inform their study and employment choices. Fifteen colleges were involved, with 130 students visiting six businesses. Additionally, WellingtonNZ and MoE coordinated an industry day with twenty secondary school career advisors, engaging with businesses including Wellington City Council.	GREEN
Supporting the Young Enterprise Scheme (YES) programme	WCC	WCC supports the Young Enterprise Scheme (YES), aimed at building business capability for college-aged students, via the City Growth Fund. The top 30 of 1273 YES companies attended the national finals held in December at Tākina. A Wellington student from Wellington Girls' College awarded two National Excellence awards as well as being placed third overall for her company Envio Pots, designing biodegradable plant pots made from forestry slash, intended for wholesale to nurseries to tackle plastic waste. Envio Pots was awarded $1,000, as well as an additional $1,000 for their school. Further reporting on 2024 results will be provided later in 2025.	GREEN

Programme	Lead	Comments	Status
Outcome 2: Transitioning to a zero-carbon circular economy			
Vision: We aim to be regenerative by design			
Wellington Business events	WCC/Business Events Wellington	Tākina hosted 24 conferences during Q2. The largest conference hosted in this period was the 800 delegate Royal Australian and New Zealand College of Obstetricians and Gynecologists. Tākina also hosted the National Kapa Haka Festival - Te Anga Pāua o Aotearoa National Kapa Haka Festival, with almost 1000 participants. In addition, a bid to host more than 500 of the world's leading climate scientists for the Climate & Cryosphere Open Science (CliC) conference in Tākina was successful. This is a once a decade event that will take place at Tākina in 2026. Overall Tākina had 8,275 delegates and has generated 19,434 visitor nights for Wellington for the quarter. A new marketing campaign has been unveiled positioning Wellington as a destination for conference planners in Australia. This campaign centers on Tākina Conference and Exhibition Centre. Results will be reported later in 2025. In Q2 the Wellington iSite relocated to the ground floor at Tākina with positive feedback from both guests and the staff on the new location.	GREEN
Local business success stories	WellingtonNZ	In the lead up to Christmas WellingtonNZ launched a short burst promotional programme targeting Wellington residents encouraging them to visit the central city and support locally owned businesses The campaign focused on hospitality and retail sectors and featured across digital and outdoor channels. Results will be reported later in 2025.	GREEN
Destination management	WellingtonNZ	FY 24/25 cruise season commenced with twenty-two ships visiting Wellinton with over 35k passengers. Two further planned visits were cancelled due to poor weather conditions. Data from the 23/24 season was released by NZ Cruise Association and Cruise Lines International Association which reports cruise delivering $100.1 million to the regional economy and supporting over 750 jobs. Passenger spend in Wellington was $25.2 million and crew $2.7 million. Te Papa reported increasing visitation, with international visitors continuing to grow strongly, up 77% on Q1, even with the introduction of the international visitor fee at the end of Q1.	GREEN

Programme	Lead	Comments	Status
Outcome 3: A Business-Friendly City			
Vision: We aim to be Aotearoa New Zealand's city partner of choice for businesses, investors and developers			
Building business relationships	WCC	WCC worked closely with the new live music venue Meow Nui on their pre-application process as they navigated their licensing and consenting requirements. This has allowed the venue to progress relatively quickly through the regulatory process and open in November 2024.	GREEN
Review International Relations strategy to establish clear goals for our international relationships to deliver a circular economy	WCC	A revised International Relations Policy was adopted following stakeholder consultation in November 2024. This review aligns our International Relations Policy with our commitment to our Tākai Here and Te Tiriti o Waitangi partners. It also responds to the need for our international relationships to support delivery of a circular economy through implementing a wider focus including social, cultural and environmental outcomes. The policy supports initiatives that: ▪ Promote business friendly relations internationally ▪ Encourages international collaboration in creativity and digital innovation ▪ Emphasises Wellington's capital city status and promotes international recognition	GREEN

Programme	Lead	Comments	Status
Outcome 4: Centre of Creativity and Digital Innovation			
Vision: We aim to be Aotearoa New Zealand's centre for creativity and innovation			
Scale up tech businesses	WellingtonNZ	In October, Wellington's tech sector celebrated the opening of Taiawa Wellington Tech Hub at Victoria University, with 60 full-time tech sector workers from thirteen high-growth Wellington companies. Numerous tech events were held in Wellington in Q2 to support the growing tech sector including: ▪ Sunrise Festival in November ▪ 300 attendees at Growth Jam: International edition with Movac Ltd ▪ Investor nights with Blackbird, Movac Ltd, Potentia, Airtree, EVP and Square peg were held at Vic University hub, Taiawa. ▪ Scaleup full day workshop with Kagen Sen, Head of Internationalisation, Canva for 60 tech leaders (Oct 25) ▪ AI full-day scale-up workshop with Vic Uni & AWS (Dec 5). Additionally, the NZ Games Developers conference was held at Tākina in October with 1,200 attendees over three days. For the first time it was preceded by Wellington Games Week, a week filled with activities and events dedicated to nurturing the growth of game development in Aotearoa, New Zealand (links to Outcome 2, Welington Business Events).	GREEN
Major Events	WellingtonNZ	The World of WearableArt (WOW) show had its most successful year ever, with an economic benefit of $31M to Wellington, from an audience of more than 63,000 people. WellingtonNZ have announced the extension of the partnership until 2029, ensuring Wellington will continue to host WOW for at least another five years. Wellington's jam-packed summer cricket season kicked off 2024 with a five-day Test at the Basin Reserve in December 2024, including attracting strong attendance by international supporters and selling out three days. Wellington hosted a sold-out All-Blacks test match attracting 30,000+ and four Phoenix games at Sky Stadium in Q2. The Doctor Who Worlds of Wonder exhibition closed on 28th October with great reviews from attendees, and The Art of Banksy exhibition opened on 28th November.	GREEN

Programme	Lead	Comments	Status
Outcome 4: Centre of Creativity and Digital Innovation (continued)			
Vision: We aim to be Aotearoa New Zealand's centre for creativity and innovation			
Screen Wellington	WellingtonNZ	The Screen Accelerator project ran again in Q2, with a 6-week programme for up to 12 producers. This provides a pathway for Wellington producers to access the US and global television marketplaces, helping screen practitioners develop their unscripted content ideas and commercialise their intellectual property with the aim of bringing more productions into the region.	GREEN

Programme	Lead	Comments	Status
Outcome 5: Celebrating our Capital City Status			
Vision: We aim to raise the profile of our Capital City			
This outcome continues to be de-prioritised due to resource constraints, however work attributed to other outcome areas contribute to raising the profile of Wellington as New Zealand's capital including Business Events Wellington (via Outcome 2), International Relations (via Outcome 3) and ongoing partnerships (via economic funds)			AMBER

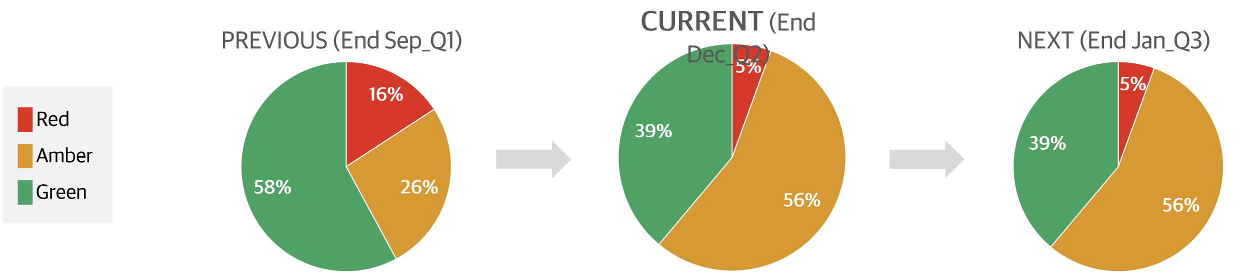
Programme	Lead	Comments	Status
Outcome 6: A dynamic city heart and thriving suburban centres			
Vision: We aim to be a compact city with a dynamic CBD and thriving suburban centres that are economically productive			
Courtenay Place precinct plan	WCC	In Q2 the Courtenay Place Precinct Plan achieved an annual milestone, with nineteen initiatives completed for the year (of 30), including improved public space, additional targeted cleaning, the centenary Embassy celebrations, and marketing promotions to help change the perception of the area. WCC also supported significant business-led activations including the Allen St Block Party in November and planning for the Courtenay Carnival encompassing a full road closure on Courtenay Place for New Year's Eve. Marketing activity included a Neat Places print and digital guide showcasing 32 independent businesses in the Courtenay precinct. More than 10,000 guides were distributed to businesses and hotels across the city.	GREEN
Development response plan	WCC/ WellingtonNZ	WCC and WellingtonNZ continue to deliver business support in partnership for areas of the city undergoing significant construction works. In Q2, a targeted pilot programme was established to test small business microgrants for businesses on Thorndon Quay that may be impacted by city construction works. Eligible businesses can apply for a one-off grant of up to $1,500 for activities including digital marketing support, business innovation and upskilling, shop front signage and beautification, staff wellbeing initiatives and equipment upgrades. In Q2, seven eligible businesses accessed the microgrant. Analysis of the learnings and benefits of the pilot will be conducted later in 2025. Four workshops were held with approximately 26 businesses in attendance, covering topics such as financial literacy for hospitality and digital marketing with average satisfaction ratings of 9.6/10. Face to face engagements with businesses (including in-depth one-to-one support sessions) reached 80 businesses in Q2. The Positively Pōneke information campaign continues to run alongside business support as major works continue, with 48 social media posts with 500k reach, and 16 Our Wellington news stories with a 13.3k page views achieved for the quarter.	GREEN

Programme	Lead	Comments	Status
Outcome 6: A dynamic city heart and thriving suburban centres (continued)			
Vision: We aim to be a compact city with a dynamic CBD and thriving suburban centres that are economically productive			
Activate empty shopfronts	WCC	As part of enhancing central city streets, promoting a safe environment and encouraging tenancies, a new programme to activate empty retail spaces has been installed on Manners Street. 'Pops of Positive' sees temporary local artist installations in four empty retail shops. The area was identified as a priority location due to its high footfall and a busy commuter route, the number of empty spaces and safety concerns from businesses in the area.	GREEN
Business Improvement Districts (BIDs)	WCC	WCC's BID programme has approximately 613 businesses across six BID's: Miramar, Karori, Johnsonville, Tawa, Khandallah, and Destination KRL (Kilbirnie, Rongotai & Lyall Bay) with a combined capital value estimated at $1.6B in 2024. Events from Q2 include Tawa's Christmas window display competition which is growing in awareness and participation. Miramar BID has initiated a crime prevention program aimed at improving community safety through better information sharing and are supporting the predator-free initiative to help preserve the local environment. The Karori BID is focussed on developing the aesthetic appeal of the area, including the installation of flags, banners, and murals to make the environment more vibrant and welcoming. Destination KRL supported the blessing of the Tāwaha ki Te Ao Mārama, the new 100meter mural at Ākau Tangi. Johnsonville BID is in planning phase for the installation of flags and planters to enhance the area's visual appeal, and the Khandallah BID hosted a successful Christmas networking event, fostering valuable connections among local businesses and residents.	GREEN

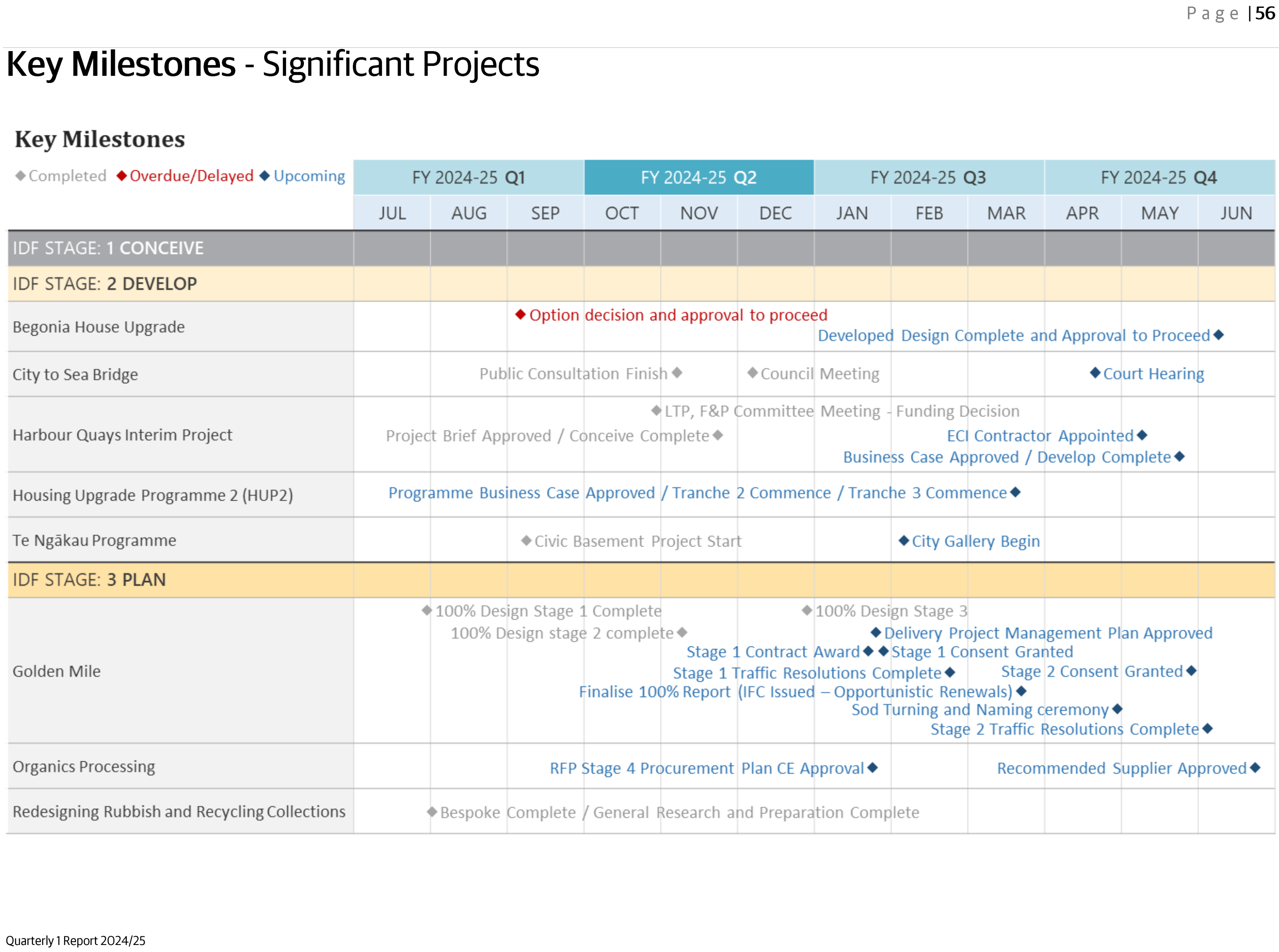
Appendix 2: LTP Significant Projects Detailed Quarterly Reporting

Details of the Significant Projects quarterly reporting are shown on the following pages including key milestones and project progress updates. This information is in support of the LTP Significant Projects section located towards the front of the report.

The number of significant projects with red status have reduced and amber have increased, detail on the reasons for project status can be found in the project progress updates below.



1 Conceive	2 Develop		3 Plan		4 Deliver		5 Close	
	R	Begonia House Upgrade	A	Golden Mile	A	Bike Network Programme (BNP)	G	Frank Kitts Park Playground
	A	City to Sea Bridge	A	Organics Processing	A	Frank Kitts Park Programme		
	A	Harbour Quays Interim Project	A	Redesigning Rubbish and Recycling Collections	A	Sludge Minimisation Facility		
	G	Housing Upgrade Programme 2 (HUP2)	A	Residual Waste - Southern Landfill - SLEPO	G	Te Matapihi Client-Side Programme		
	G	Te Ngākau Programme	A	Waikoukou (Future Accommodation Project)	G	Te Matapihi ki te Ao Nui		
					G	Thorndon Quay Upgrades		
					G	Town Hall Redevelopment Project		



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Key Milestones - Significant Projects

Key Milestones

◆Completed ◆Overdue/Delayed ◆Upcoming	FY 2024-25 Q1			FY 2024-25 Q2			FY 2024-25 Q3			FY 2024-25 Q4		
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
IDF STAGE: **1 CONCEIVE**												
IDF STAGE: **2 DEVELOP**												
Begonia House Upgrade			◆Option decision and approval to proceed									Developed Design Complete and Approval to Proceed◆
City to Sea Bridge					Public Consultation Finish◆	◆Council Meeting				◆Court Hearing		
Harbour Quays Interim Project				◆LTP, F&P Committee Meeting - Funding Decision	Project Brief Approved / Conceive Complete◆						ECI Contractor Appointed◆ Business Case Approved / Develop Complete◆	
Housing Upgrade Programme 2 (HUP2)									Programme Business Case Approved / Tranche 2 Commence / Tranche 3 Commence◆			
Te Ngākau Programme			◆Civic Basement Project Start					◆City Gallery Begin				
IDF STAGE: **3 PLAN**												
Golden Mile	◆100% Design Stage 1 Complete				100% Design stage 2 complete◆	◆100% Design Stage 3	◆Delivery Project Management Plan Approved Stage 1 Contract Award◆ ◆Stage 1 Consent Granted	Stage 1 Traffic Resolutions Complete◆	Finalise 100% Report (IFC Issued – Opportunistic Renewals)◆	Sod Turning and Naming ceremony◆	Stage 2 Consent Granted◆	Stage 2 Traffic Resolutions Complete◆
Organics Processing							RFP Stage 4 Procurement Plan CE Approval◆					Recommended Supplier Approved◆
Redesigning Rubbish and Recycling Collections		◆Bespoke Complete / General Research and Preparation Complete										

Quarterly 1 Report 2024/25

Key Milestones

◆Completed ◆Overdue/Delayed ◆Upcoming	FY 2024-25 **Q1**			FY 2024-25 **Q2**			FY 2024-25 **Q3**			FY 2024-25 **Q4**		
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
IDF STAGE: **3 PLAN**												
Residual Waste - Southern Landfill - SLEPO		◆Main Contractor Procurement Plan Approved ◆Establishment of Governance Group	◆Detailed Design Supplier Procured				◆Main Contractor Procured ◆Early Enabling Works Complete	◆Main Works Commence				
Waikoukou (Future Accommodation Project)				Concept Design Complete◆	◆Preliminary Design Complete	Basebuild Phase 1 Complete◆		◆68 JQ Fitout Commence Kai Upoko Lease Expiry◆ Te Pataka Lease Expiry◆	◆Phase 1 Construction Award	◆Design Complete		Basebuild Phase 2 Complete◆ Phase 2 Construction Award◆
IDF STAGE: **4 DELIVER**												
Bike Network Programme (BNP)		◆NLTP Decision	◆Report to LTP, F&P Committee RE Debt to Rates Ratio (options)									
Frank Kitts Park Programme						*Under Review*						
Sludge Minimisation Facility			MPB Slab Complete◆	◆All Piling Complete	◆Pavement Reinstatement	GSE Site Handover◆ ◆MPB Steel Erection Commences						Digesters Complete◆ WEL Switchroom & Transformer Installed◆
Te Matapihi Client-Side Programme	◆LTP Funding Confirmed									Organisational Design Confirmed◆		
Te Matapihi ki te Ao Nui			SP3 Construction Commence◆			◆SP4 Construction Commence ◆Release Building			◆SP5Construction Commence			FF&E Commence◆
Thorndon Quay Upgrades												SP2 Practical Completion (15 July 2025)
Town Hall Redevelopment Project					Parallel Design Completion◆			◆NZSO Specialist Fitout Commence Venues 18 Month Booking Lead-in Commence◆				Commence FFE Installation◆
IDF STAGE: **5 CLOSE**												
Frank Kitts Park Playground							Closure Complete - Final Completion◆			◆Evaluation Complete		

Project Progress - Significant Projects

Project Progress Update

PROJECT NAME (START - END DATE / IDF STAGE)	OVERALL HEALTH STATUS				PROJECT FINANCIALS (WHOLE OF PROJECT COST / FY COST)		OVERALL PROGRESS UPDATE
	Q1	Q2					
		OCT	NOV	DEC			
Begonia House Upgrade ▪ Jul 2022 - Aug 2028 ▪ 2 Develop	R	R	R	R	WOPC	Budget: $8,352 K Forecast: $24,920 K (198.4% var) Actual: $0,317 K (3.8% spent)	Work is dependent on the decision of the future of the Begonia House, and what option Council adopts. Officers have been requested to undertake further work on the options and report back on those options for community consultation as part of the LTP process.
					FY24-25	Budget: $0,463 K Forecast: $0,642 K (38.5% var) Actual: $0,003 K (0.7% spent)	
Bike Network Programme (BNP) ▪ Oct 2022 - Feb 2037 ▪ 4 Deliver	R	R	A	A	WOPC	Budget: $160,190 K Forecast: $159,950 K (-0.1% var) Actual: $64,654 K (40.4% spent)	Amber due to eight health indicators being amber and two being red. - The Programme has installed 21.7km over the last three years, and over the current financial year will continue to roll out Tranche 2 (Transitional and Transformational) projects. By the end of FY 24/25 the programme is currently on track to install an additional 12.5km - Budget health remains at red due to uncertainty related to the LTP Amendment process. The proposed amendment, agreed to by LTP&PC on 26 November, includes funding to extend the delivery of the programme to 20-years, and focus on primary routes only in next 10-years. A final decision won't be approved until June 2025. - Pending a final decision, routes previously part of Tranche 2 have been removed (Wadestown Secondary route - 1.1km) or put on hold (Evans Bay Stage 2 and Brooklyn - 2.5km). The cycleways Minor Works programme is also on hold. - As part of the LTP Amendment process a formal programme decision will be sought on funding to progress the primary routes over the next 10-years. The baseline schedule has suffered delays due to uncertainty and, if the LTP amendment is approved following consultation in June, will need a major reset.
					FY24-25	Budget: $25,715 K Forecast: $24,536 K (-4.6% var) Actual: $13,202 K (51.3% spent)	
City to Sea Bridge ▪ Sep 2024 - Jan 2025 ▪ 2 Develop	G	G	G	A	FY24-25	Budget: $30,000 K Forecast: $30,000 K (0.0% var) Actual: $0,000 K (0.0% spent)	Amber due to uncertainty surrounding judicial review. Committee agreed 5 December 2024 to demolish the bridge and the former Capital E building. This decision is now subject to a judicial review in April. Latest date for decision is late July 2025. Business Case approval will depend on decision.

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	Q1	Q2					
		OCT	NOV	DEC			
	🟩	🟩	🟩	🟧		$5,000 K Budget: $5,000 K *(0.0% var)* Forecast $0,000 K *(0.0% spent)* : actual:	
Frank Kitts Park Playground ▪ Aug 2023 - Mar 2025 ▪ 5 Close	G	G	G	G	WOPC FY24-25	Budget: $7,035 K Forecast $6,970 K *(-0.9% var)* : $6,970 K *(99.1% spent)* Actual: $0,000 K Budget: $0,000 K Forecast $0,000 K *(0.0% var)* : *(0.0% spent)* Actual:	GREEN: The Evaluation Stage has included a short public survey in July 2024. Research and Evaluation report is being finalised. Project in final steps of Close, with asset capitalisation remaining.
Frank Kitts Park Programme ▪ Feb 2023 - Aug 2030 ▪ 4 Deliver	G	G	A	A	WOPC FY24-25	Budget: $42,934 K Forecast $42,934 K *(0.0% var)* : $0,976 K *(2.3% spent)* Actual: $1,000 K Budget: $1,000 K *(0.0% var)* Forecast $0,042 K *(4.2% spent)* : Actual:	Rescope due to LTP amendment processes. Changes to scope, budget, and programme to align with the Fale Malae Trust proposal.
Golden Mile ▪ Apr 2024 - Jan 2031 ▪ 3 Plan	A	A	A	A	FY24-25	Budget: $116,149 K Forecast $116,280 K *(0.1% var)* : $4,047 K *(3.5% spent)* Actual: $18,446 K Budget: $7,143 K *(-61.3% var)*	The 100% design for all work packages has been issued and are currently going under a final WCC review, with Courtenay Place (WP2) being priced. The pricing for WP1 (Kent/Cambridge Terrace) has been submitted and is being reviewed by the project team, legal & the Quantity Surveyor. Our programme has us signing a contract before the end of Jan 25, with works to start Apr 25. Further Underground CCTV Investigations & Potholing were undertaken as part of council's 'Super-week' in early

Project Progress Update

PROJECT NAME (START - END DATE / IDF STAGE)	OVERALL HEALTH STATUS Q1	Q2 OCT	Q2 NOV	Q2 DEC		PROJECT FINANCIALS (WHOLE OF PROJECT COST / FY COST)	OVERALL PROGRESS UPDATE
	🟧	🟧	🟧	🟧		Forecast: $3,547 K (19.2% spent) Actual:	January. This was a successful endeavour and will give the contractor, WCC & WWL vital information about the state of assets. A Utility Management Plan has been drafted and is with Network Utility Operators to review and provide feedback. The council decision not to include the project in the LTP amendment process has given more certainty and means the team can push on finalising the design elements and start the procurement and commercial aspects. Engagement with stakeholders has started up again and a full design release to the public is planned for Feb 2025.
Harbour Quays Interim Project ▪ May 2024 - Dec 2026 ▪ 2 Develop	R	R	A	A	WOPC	Budget: $10,137 K Forecast: $10,014 K (-1.2% var) Actual: $0,149 K (1.5% spent)	Amber due to some considerations from the LTP amendment. Actively managing the impact on the schedule and consultation and on track to meet critical deadline of Regulatory Processes Committee 28 August to approve traffic resolution. Consultant onboard and progressing with options assessment, modelling, and concept designs. Concept design expected to land late Feb, with business case finalised late March.
					FY24-25	Budget: $1,140 K Forecast: $0,828 K (-27.4% var) Actual: $0,149 K (13.1% spent)	
Housing Upgrade Programme 2 (HUP2) ▪ Nov 2022 - Feb 2036 ▪ 2 Develop	G	G	G	G	WOPC	Budget: $441,373 K Forecast: $434,848 K (-1.5% var) Actual: $11,686 K (2.6% spent)	Programme Business Case processes are nearing completion, with all programme options now fully defined and the final review underway. Activities to reset the overall programme structure are also in progress, preparing for the shift in delivery following the anticipated endorsement of the business case. Granville demolition: Soft demolition processes are currently underway. The hard demolition contract is targeted for award in March 2025, with full demolition scheduled for completion by December 2025. Vacant Standalones project: Phase 1 has been successfully completed, with upgrades to the first three houses finalised. Phase 2 commenced on 6 January 2025 and aims to upgrade a further 16 properties by July 2025.
					FY24-25	Budget: $35,800 K (-56.3% var) Forecast: $15,653 K (15.8% spent) Actual: $3,010 K	

Project Progress Update

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Organics Processing ▪ Nov 2022 - Aug 2028 ▪ 3 Plan	A	A	A	A	WOPC FY24-25	Budget: $20,349 K Forecast $20,349 K *(0.0% var)* : $0,050 K *(0.2% spent)* Actual: $0,383 K Budget: $0,383 K *(0.0% var)* Forecast $0,050 K *(13.0%* : *spent)* Actual:	As per LTP amendment, work has commenced to explore a local organics processing option on WCC land alongside a regional option. This will be presented to Council in May 2025. There are scheduled delays owing to the LTP amendment and the final budget will be approved once the LTP amendment has been finalised.
Redesigning Rubbish and Recycling Collections ▪ Nov 2022 - May 2028 ▪ 3 Plan	G	A	A	A	WOPC FY24-25	Budget: $13,502 K Forecast $13,502 K *(0.0% var)* : $0,000 K *(0.0% spent)* Actual: $0,000 K Budget: $0,000 K *(0.0% var)* Forecast $0,000 K *(0.0% spent)* : Actual:	Overall status is Amber reflecting the LTP Amendment decision. • Collections is behind schedule due to the LTP amendment, and dependency on Organics Processing. • A level of service, and associated budget decision will be made mid-2025 as part of the LTP decision.
Residual Waste - Southern Landfill - SLEPO ▪ Nov 2022 - Jun 2027 ▪ 3 Plan	A	A	A	A	WOPC FY24-25	Budget: $38,624 K Forecast $44,858 K *(16.1% var)* : $7,102 K *(18.4%* Actual: *spent)* $12,046 K Budget: $8,670 K Forecast $1,114 K *(-28.0% var)* : *(9.3% spent)* Actual:	All Enabling Works are on track. The project will prepare 'Package 6' to allow works to continue in January while the project transitions to the main physical works state. The project is currently in the 'Early Contractor Involvement' phase and repricing various works based on scope, risk and opportunity discussions. Repricing will be completed by end of January 2025 along with the draft contract and baseline programme. The project remains on track for Cell 1 to receive general waste by 14 June 2026.

Project Progress Update

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	Q1	Q2				
		OCT	NOV	DEC		
Sludge Minimisation Facility ▪ Feb 2023 - Nov 2026 ▪ 4 Deliver	A	A	A	A	WOPC Budget: $428,600 K Forecast: $425,301 K (-0.8% var) Actual: $163,146 K (38.1% spent) FY24-25 Budget: $133,013 K Forecast: $153,429 K (15.3% var) Actual: $45,395 K (34.1% spent)	Project remains at AMBER as construction and design work progresses; Mitigation planning for temporary sludge disposal options post June 2026 is progressing well. Construction: activity onsite continues to be impacted by high winds and heavy rain. Despite this the targets of having started structural steel erection and commencing leak testing of the digesters prior to the Christmas period were both achieved. Deliveries of mechanical equipment packages into site storage has also started well; The 69-day extension of time for steel related issues was formally submitted by the Joint Venture on 18 November. WCC have provided their response to the Engineer to Contract, whose decision is pending. Operational Readiness: A series of workshops with the potential SMF operator and WCC/WWL for operator procurement occurred across this reporting period, and the process will now move into contractual and pricing negotiations.
Te Matapihi Client-Side Programme ▪ Feb 2023 - Jun 2026 ▪ 4 Deliver	G	G	G	G	WOPC Budget: $9,185 K Forecast: $9,152 K (-0.4% var) Actual: $3,899 K (42.4% spent) FY24-25 Budget: $2,183 K Forecast: $2,183 K Actual: $0,771 K (0.0% var) (35.3% spent)	GREEN: Te Matapihi Client-side programme is tracking to time, cost, and scope. In support of Te Matapihi's foremost principle "Engage Fully with Mana Whenua", a strategy for Mātauranga Māori and Kawa & Tikanga has been developed and approved, implementation of which commences in early 2025. A Wayfinding Strategy has been produced, the final designs for which will be completed by April 2025. Brand engagement workshops (internal and external) are complete; an initial Strategy has been produced; concept development scheduled for completion by May-2025. A Digital Windows work package exists to ensure the Visitor Experience vision is effectively supported via content displayed across a range of screens within Te Matapihi; a framework of proposed screens and locations has been submitted, pending input from construction-side. Programming of the unique collections, creativity and expertise housed at Te Matapihi is being developed, enabled by a range of stakeholder workshops. Client-side's Arts Advisor is working with Mana Whenua and the construction-side team to plan and

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	Q1	Q2					
		OCT	NOV	DEC			
							implement rawa (artwork and installations) which will feature prominently within Te Matapihi. Service design and funding levels have been confirmed for Te Matapihi's Creative Space and Identity Centre, implementation of which commences in early 2025. FY24-25 project budget has been assigned, with spend tracking as planned; assigned of FY25-26 project budget has commenced.
Te Matapihi ki te Ao Nui ▪ Feb 2023 - Jun 2026 ▪ 4 Deliver	G	G	G	G	WOPC FY24-25	Budget: $217,597 K Forecast: $217,597 K *(0.0% var)* Actual: $151,220 K *(69.5% spent)* Budget: $85,237 K Forecast: $85,237 K *(0.0% var)* Actual: $41,602 K *(48.8% spent)*	GREEN - project programme and budget on track. A significant amount of construction works now complete. HV room waterproofing paint and roof membrane are in place and roof slab is poured. Building has been released onto its base isolators; grand release celebrated mid-December 2024. Structural steel CBF frames are now largely complete with brace pins installed and final welding progressing. Secondary steel work is underway within lift cores and entries. External carpentry for facade works is continuing on the south elevation and plant room. Installations over last period include facade panels on the Level 3 & 4 extension and Civic Room, Harris St facade glazing, north and central skylights and south facade windows. Escalators have been re-installed. Landscaping works have commenced in the north east corner with major pours complete. Internal fit out works are progressing well on ground, mezzanine, Level 1 and 2 with preparation works initiated for the basement. Rawa samples for 2 of the 4 artworks

Project Progress Update

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	🟩	🟩	🟩	🟩			produced. Mezzanine piece instructed and lighting strategy TBC. Rawa costs are tracking on budget based on pricing received to date. FF&E categories 1-3 reviewed fortnightly and resulting Construction Instructions issued. FFE budget to be shared with Board in Feb. All relocation moves identified and shared with relevant teams responsible.
Te Ngākau Programme ▪ Jan 2023 - Jun 2027 ▪ 2 Develop	G	G	G	G	WOPC	Budget: $7,140 K Forecast: $7,395 K *(3.6% var)* Actual: $1,754 K *(24.6% spent)*	All assessments of assets, scope, benefits definition and assurance processes are on track. The programme remains on schedule. The process to refine and finalise the Development Plan is progressing. Civic Basement Detailed Design package is with main contractor. Developed Design landscape plans and planting strategy are being reviewed by the project team. Negotiations underway with developer regarding CAB/MOB Development. MOB demo programme is on target and window removal is progressing. CAB demolition is complete.
					FY24-25	Budget: $2,945 K Forecast: $2,945 K *(0.0% var)* Actual: $0,522 K *(17.7% spent)*	

Project Progress Update

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	Q1	Q2				
		OCT	NOV	DEC		
Thorndon Quay Upgrades ▪ Mar 2024 - Mar 2026 ▪ 4 Deliver	G	G	G	G	WOPC Budget: $64,304 K Forecast: $64,198 K *(-0.2% var)* Actual: $38,162 K *(59.3% spent)* FY24-25 Budget: $32,005 K Forecast: $33,995 K *(6.2% var)* Actual: $9,125 K *(28.5% spent)*	The project is tracking on programme and its overall budget. In FY24-25 the project has accelerated some works through night shifts to avoid further disruption to businesses from construction delays. Project is holding risk contingency for weather delays with the risk increasing due to asphalt paving works. Supporting and addressing stakeholder queries may cause further delays but are currently managed at both the Project and ELT levels.
Town Hall Redevelopment Project ▪ Mar 2017 - May 2027 ▪ 4 Deliver	G	G	G	G	WOPC Budget: $329,100 K Forecast: $329,100 K *(0.0% var)* Actual: $201,997 K *(61.4% spent)* FY24-25 Budget: $57,800 K Forecast: $60,206 K *(4.2% var)* Actual: $31,526 K *(54.5% spent)*	Green. The project is on track and projected to finish early. Activity has included: · North facade is complete and East face well underway. · Main entrance ramp on MFC lane is rough formed. · South colonnade stairs are poured, and the SW auditorium site access gap now enclosed. · West Hall foundations base slab and piles poured. · Roof was watertight by Christmas with minor finishing underway. · Building approaches its full seismic resilience state, with most foundation isolators and fabric bracing in place. · Placement of internal floor-wall connection dowels almost complete with seismic event evacuation levels reduced accordingly. · New basement shell almost complete and water-tight. · Auditorium concrete floor poured. · Choir stall structure progressed. · Main structural steel for the E1 lift complete.

Project Progress Update

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	Q1	Q2					
		OCT	NOV	DEC			
	🟩	🟩	🟩	🟩			· Planning and pricing of heritage finishes in the auditorium areas is unresolved due to water damage, resulting from inadequate construction phase weather protection, but drying is underway. · Debating chamber internal fitout is underway · VUW tenancy areas commenced internal fitout. · First acoustic isolation floor slab poured in Lloyd Morrison Theatre and steel structure placed ready for installation. · First fix services continue in the eastern areas and bathrooms. · Detailed discussions ongoing for organ reinstatement. · Asbestos found in the curved auditorium walls removed. · MOB demolition underway
Waikoukou (Future Accommodation Project) ▪ Jun 2024 - Feb 2029 ▪ 3 Plan	A	A	A	A	WOPC FY24-25	Budget: $44,737 K Forecast: $51,381 K *(14.9% var)* Actual: $1,920 K *(4.3% spent)* Budget: $41,399 K Forecast: $10,184 K *(-75.4% var)* Actual: $1,425 K *(3.4% spent)*	The project is running to the current programme timeline. There is a push to improve the design and construction timeframes. Fitout design processes continue with design scheduled for completion in April 2025. In mid-December 2024 the first building consent application for the tower floors was lodged, remaining packages will progressively be lodged. Fitout construction activities are scheduled to commence in March. Capital expenditure cost forecasts remain within budget and are being closely managed. Operating cost forecasts continue to exceed the budget, strategies to mitigate are being worked through to resolve the anticipated overspend. First relocations took place in December 2024, which saw the exit of L7, 9, and 10 of Kai Upoko. Planning for the move to occupy 68JQ later in 2025 is in full development. Programme remains under substantial pressure to hit target completion milestones.

Appendix 3: Wellington Water Project metrics and Operations report

Project metrics - Q2 information yet to be received

Wellington Water Operations Report

Q2 information yet to be received

Appendix 4: Sustainable Development Goals

We have aligned the UN Sustainable Development Goals (SDGs) with our community outcomes in the 2023-34 LTP (see graphic).

Over the next three years we will work towards embedding the SDGs to help monitor progress towards achieving our vision: *Pōneke, the creative capital where nature and people thrive.*

As a first step to embed the goals, we are working to align them with the suite of new Outcome and Impact indicators. This work will pick up opportunities where existing data aligns to specific SDGs and identify where new data, which is being developed in support of initiatives, can also be aligned. Reporting for this will occur in the 2024-25 Annual Report.

Community Outcomes	**UN Sustainable Development Goals**
Cultural: A welcoming, diverse and creative city	10 REDUCED INEQUALITIES 11 SUSTAINABLE CITIES AND COMMUNITIES
Social: A city of healthy and thriving whānau and communities	1 NO POVERTY 11 SUSTAINABLE CITIES AND COMMUNITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Economic: An innovative, business friendly city	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Urban Form: A liveable and Accessible, compact city	11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION
Environmental: A city restoring and protecting nature	6 CLEAN WATER AND SANITATION 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 15 LIFE ON LAND

Appendix 5: Performance and Monitoring Framework

How we report

Purpose

The information in the quarterly report supports governance oversight and service delivery performance monitoring of the current Long-term Plan (LTP).

What we report

The quarterly report provides a year-to-date performance story covering progress against LTP objectives, priorities and strategies.

The report covers both the Strategic (our why) and the Tactical (our what) section of the performance and monitoring framework as shown to the right and includes LTP amendments and Annual Plan variations.

How we report

Generally, we report on an exception basis, however to provide a more fuller picture, we may also include additional performance information.

Performance thresholds

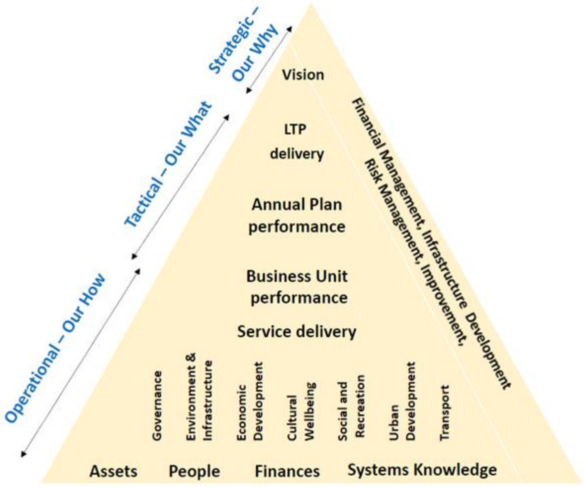
Performance is reported against a series of thresholds representing distance from the level of service target for each KPI. The 2024 LTP, performance thresholds have been set as –

Met target		0-2.49% from target
Substantially Met	At risk of not meeting target	2.50- 4.99% from target
Not met target		≥ 5% from target

Risks are reported using the Council's Risk and Assurance framework.

Where we get our data

The Information in this report is sourced from the Council's business units including Finance, Risk and Assurance, the Project Management Office and CCOs.

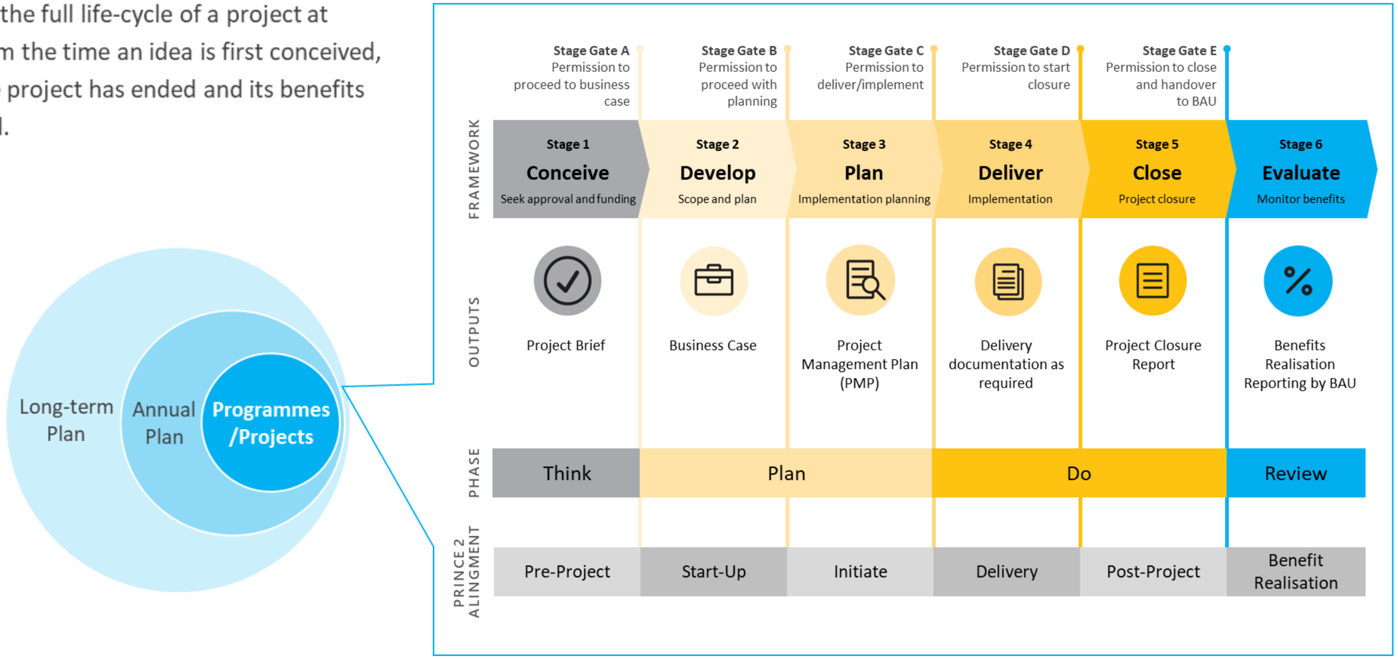


Performance and Monitoring framework

Appendix 6: Project Management Office Operating Framework

Investment Delivery Framework

WCC's Investment Delivery Framework (IDF) represents the full life-cycle of a project at Council from the time an idea is first conceived, to after the project has ended and its benefits are realised.



	Stage Gate A Permission to proceed to business case	**Stage Gate B** Permission to proceed with planning	**Stage Gate C** Permission to deliver/implement	**Stage Gate D** Permission to start closure	**Stage Gate E** Permission to close and handover to BAU	
FRAMEWORK	**Stage 1** **Conceive** Seek approval and funding	**Stage 2** **Develop** Scope and plan	**Stage 3** **Plan** Implementation planning	**Stage 4** **Deliver** Implementation	**Stage 5** **Close** Project closure	**Stage 6** **Evaluate** Monitor benefits
OUTPUTS	Project Brief	Business Case	Project Management Plan (PMP)	Delivery documentation as required	Project Closure Report	Benefits Realisation Reporting by BAU
PHASE	Think	Plan		Do		Review
PRINCE 2 ALINGMENT	Pre-Project	Start-Up	Initiate	Delivery	Post-Project	Benefit Realisation

Project Classification

- WCC use an internal classification approach to identify the level of oversight that is appropriate for each project.

  Different (scalable) project toolsets are defined based on classification level.

  This ensures that the appropriate level of documentation, management and governance is applied to each project or programme.

  By answering a set of questions on

  - Delivery duration
  - Urgency
  - Delivery complexity
  - Breadth of impact
  - Political sensitivity
  - Workload placed on WCC staff to deliver

  risk and **effort** profiles can be derived for the project, and the appropriate level of IDF application can be recommended.

- The classifications for Council are:

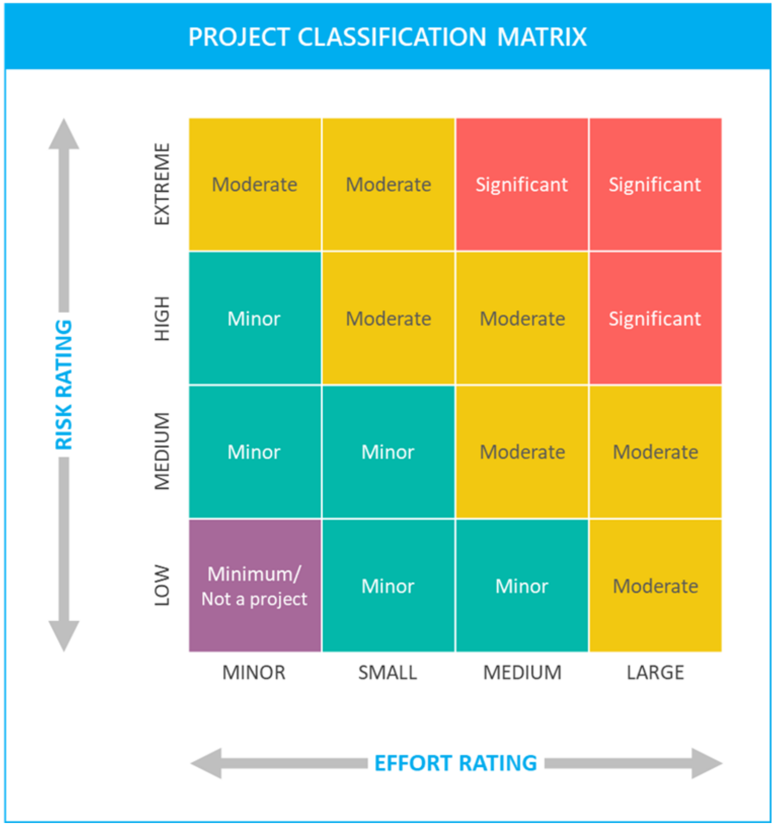
  🟪 Minimum /Not a project

  🟩 Minor

  🟨 Moderate

  🟥 Significant

- The scope of the Quarterly Report covers Council projects categorised as **Significant**.



PROJECT CLASSIFICATION MATRIX

RISK RATING	MINOR	SMALL	MEDIUM	LARGE
EXTREME	Moderate	Moderate	Significant	Significant
HIGH	Minor	Moderate	Moderate	Significant
MEDIUM	Minor	Minor	Moderate	Moderate
LOW	Minimum/ Not a project	Minor	Minor	Moderate

EFFORT RATING

Overall Delivery Confidence RAG

The Programme/Project Overall Delivery Confidence RAG represents the WCC's view of a project's ability to deliver against its defined programme/project parameters

Programme/project Parameters

SCOPE

SCHEDULE

BUDGET

BENEFITS

RISKS

ISSUES

RESOURCES

ENGAGEMENT & COMMUNICATIONS

CHANGE CONTROL

HEALTH & SAFETY

DEPENDENCIES

RED (R)

🟥 **Red (R)**

Successful delivery of the project against its project parameters appears to be unachievable. There are major issues with schedule, budget, resources, quality and/or benefits delivery, which at this stage do not appear to be resolvable. The project may need re-scoping and/or its overall viability reassessed.

AMBER (A)

🟧 **Amber (A)**

Successful delivery of the project against its project parameters appears feasible but significant issues already exist, requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun or loss/delay of benefits.

GREEN (G)

🟩 **Green (G)**

Successful delivery of the project against its project parameters appears on track as planned, and there are no major outstanding issues or risks that appear to threaten delivery.

Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

CCO FY24/25 QUARTER 2 REPORT

Kōrero taunaki | Summary of considerations

Purpose

1. This report to Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee provides the Committee with a review of the 24/25 financial year second quarter reports submitted by Council-controlled Organisations.

Strategic Alignment

2. The most relevant community outcomes, strategic approaches, and priorities for this paper include: Cultural Wellbeing – a welcoming, diverse and creative city; integrating te ao Māori, nurture and grow our arts sector; Social Wellbeing - a city of healthy and thriving whānau and communities; making our city accessible and inclusive for all, Economic Wellbeing - an innovative business friendly city, and Environmental Wellbeing - a city restoring and protecting nature and embedding climate action.

Significance

3. The decision is rated low significance in accordance with schedule 1 of the Council’s Significance and Engagement Policy.

Financial considerations

☒ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

Risk

☒ Low	☐ Medium	☐ High	☐ Extreme

4. This paper is assessed as low risk using the enterprise risk framework. The paper is not expected to introduce or exacerbate any risks to WCC.

Author	Jamie Crump, Manager CCO Partnerships & Planning
Authoriser	Anna Calver, Chief Economic and Engagement Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion

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

1. Receive the information.
2. Note the contents of the report.

Whakarāpopoto | Executive Summary

5. Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee is tasked with monitoring the performance of our Council-controlled Organisations (CCOs). Quarter two (Q2) reports have been received from all our CCOs.

6. The number of KPIs reporting in each quarter will vary according to the service delivery occurring in that period. This is because there is greater diversity in the KPI format and reporting options in the 2024-34 LTP than there were in the previous LTP. Reporting frequencies can vary across: monthly, quarterly, 6-monthly, quarter 2 and 3 only and annual intervals. KPIs will be reported to the nearest quarter and in the Annual Report.

7. The tracking of CCOs KPI performance is reported on in Wellington City Council's overall Q2 report. Performance to date is in line with expectations. CCOs have a total of 18 KPIs. Of the KPIs that are reported quarterly, all but two met their target this quarter.

    - Te Nukuao Wellington Zoo Trust did not achieve its Q2 *visitor target*. This is due to the economic downturn, and poor weather - particularly during peak visitation periods such as the school holidays.
    - The Wellington Cable Car Ltd did not achieve its Q2 *passenger target*. This was due to a combination of cruise ship cancellations and poor weather.

8. Highlights from Q2 include:

    - **Zealandia** opened Tanglewood House Te Piringa Tangata; their purpose-built facility for staff, researchers and volunteers.
    - **Experience Wellington** visitor numbers up 29% on target for the quarter.
    - **Te Nukuao Wellington Zoo's** te ao Māori strategy Manawanui was launched.
    - **Sky Stadium** hosted a Wellington Phoenix regular season record crowd of 26,252 and the first ever 'kiwi clasico' when the Phoenix played Auckland FC.
    - The **Wellington Cable Car** introduced several accessibility enhancements and improved wayfinding in the Kelburn Terminal.
    - **WellingtonNZ,** through Venues Wellington, hosted the successful conclusion of the World of Wearable Arts (WOW), which contributed more than $30m to the economy, with 64% of attendees travelling from out of region.

    - The **Basin Reserve** hosted the sold-out Blackcaps v England test match.

Takenga mai | Background

9. Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee is tasked with monitoring the performance of the following entities:

   - Basin Reserve Trust
   - Karori Sanctuary Trust (trading as Zealandia Te Māra a Tāne)
   - Te Nukuao Wellington Zoo Trust
   - Wellington Cable Car Limited
   - Wellington Museums Trust (trading as Wheako Pōneke Experience Wellington)
   - Wellington Regional Economic Development Agency Ltd (trading as WellingtonNZ)
   - Wellington Regional Stadium Trust (trading as Sky Stadium)

10. Wellington Regional Economic Development Agency Ltd is jointly owned (80%/20%) by the Wellington City Council and the Greater Wellington Regional Council respectively.

11. In terms of a Court Of Appeal Judgement (CA164/04) on 6 September 2005 between the Commissioner of Inland Revenue and the Wellington Regional Stadium Trust, it was established that Sections 5 and 6, Schedules 8 and 9 and Part 5 of the Local Government Act 2002 do not apply to the Wellington Regional Stadium Trust and accordingly the Trust is not a CCO.

12. In recognition of the Council's original investment in the Wellington Regional Stadium Trust and the non-recourse loan from Council to the Trust that was fundamental in the establishment of the Trust and the building of the stadium, the relationship operates as if the Trust was a CCO. This approach is consistent with the Greater Wellington Regional Council's relationship with the Trust. As agreed between the Councils, the Trust reports on a six-monthly basis.

Kōrerorero | Discussion

13. Quarterly reports have been received from the following entities for consideration by the Committee and are attached as appendices:

   - Basin Reserve Trust
   - Karori Sanctuary Trust (trading as Zealandia Te Māra a Tāne)
   - Te Nukuao Wellington Zoo Trust
   - Wellington Cable Car Limited
   - Wellington Museums Trust (trading as Wheako Pōneke Experience Wellington)
   - Wellington Regional Economic Development Agency Ltd (trading as WellingtonNZ)
   - Wellington Regional Stadium Trust (trading as Sky Stadium).

14. The Q2 reports have been reviewed by Council Officers to assess any risks or issues and where any significant issues were identified these have been discussed with the relevant entity.

Operating context / trading environment

15. *Recessionary economic environment:* the economic environment in the last 18+ months has seen a decline in discretionary income, which has broad impacts across CCOs, our venues, events, tourism and Tākina conferences and exhibitions, making it more challenging to achieve target outcomes.

16. *The macro-economic environment remains tough for Wellington:* with rising unemployment due to central government job and spending cuts, a cost-of-living crisis and higher interest rates. Additionally, working from home trends, an increase of young people moving offshore, inflationary pressures, stagnant GDP growth, and a lack of sector diversity in Wellington's economy are impacting on the business operating environment and vibrancy of Wellington.

17. *Cost Escalation:* Cost pressures continue to be a challenge for CCOs. This was acknowledged through the annual plan operating grant funding review and living wage assistance support for CCOs. Cost pressures however remain - particularly staff remuneration.

18. *Reduced number of cruise ships:* a 25% drop in cruise ship numbers year-on-year is having an impact on visitation and revenue for some of our tourism related CCOs, in particular the Cable Car and Experience Wellington.

19. *Major Events as an economic enabler:* Major events continue to be a significant contributor to Wellington's tourism sector, making an important spending contribution to downtown retail and hospitality businesses. During the quarter, the World of Wearable Arts (WOW) contributed more than $30m to the local economy. The Basin Reserve hosted the sold-out Blackcaps v England test match. An almost sold-out TSB Arena hosted the NZ Breakers for the first time in five years when they played the Sydney Kings, and Sky Stadium hosted a Wellington Phoenix regular season record crowd of more than 26,000 for the match against Auckland FC during November.

CCO 24/25 Q2 Summaries

20. The Basin Reserve successfully hosted the sold-out Blacks v England test match and two White Ferns v Australia one-day internationals. The big LED screen project was completed and in use for the England test match.

21. Karori Sanctuary Trust (Zealandia Te Māra a Tāne) delivered a strong financial result for the first half of the year with a bottom-line surplus of $179k ($299k above budget), and opened Tanglewood House Te Piringa Tangata their purpose-built facility for staff, researchers and volunteers.

22. Wellington Museums Trust (Wheako Pōneke Experience Wellington) had 181,223 visitors during Q2 across its sites (29% up on target). The newly implemented international visitor admission charge at Wellington Museum has seen a successful revenue boost bringing in over $47,000 from 1 October to 31 December 2024 (NB: this has however impacted general donations at the Museum). City Gallery continued its programme of exhibitions and events at partner galleries around Wellington with Derek Jarman's: Delphinium Days and Paul Johns: Beautiful Flowers and How to Grow Them opening at The Dowse. As reported in Q1, despite the Trust's SOI budget showing an expected deficit of -$243,000. Through careful management of budget pressures and costs the Trust continues to aim for a break-even result.

23. The Wellington Cable Car has progressed its bridge strengthening seismic work and has divided the work into two parts: catch brackets to improve seating, and pier strengthening. The seating work is comparatively low cost and is expected to be completed by December 2025. The pier strengthening work is going out to competitive tender. Several accessibility enhancements were made during the quarter, including new gate decals to improve and better identify the scanner for SuperGold card users. In addition, improved wayfinding was installed at the Kelburn Terminal with a new large scale map highlighting things to do in the precinct and wider environs.

24. Wellington Regional Economic Development Agency Ltd's (WellingtonNZ) Tech team and Creative HQ facilitated a full quarter of events, including the AI Supercharge Event at Victoria University of Wellington; Growth Jam hosted with Movac at Harbourside featuring 250 attendees and speakers from Wellington tech firms, and the Scale-Up Series – a Regional Economic Development Programme initiative, providing exclusive sessions for leaders from 60 high-growth tech companies. As part of WCC's Development Response Plan's business support, WNZ completed its busiest training period to date, delivering four capability workshops over six weeks and achieving a satisfaction rating of 96%. The Art of Banksy Exhibition (the first using a venue for hire model at Tākina) opened on 28 November. Ticket sales of 47,000 significantly exceeded the exhibition target. The Wellington i-Site Visitor Centre also successfully opened at Tākina in late November.

25. Wellington Regional Stadium Trust (Sky Stadium) hosted the Wellington Phoenix regular season record crowd of more than 26,000 for the match against Auckland FC on 2 November, and it also successfully won the rights to host two major All Black test matches in 2025 against France and South Africa.

26. Te Nukuao Wellington Zoo's te ao Māori strategy Manawanui was officially launched on World Animal Day, 4 October. It renewed MoUs with Wellington City Mission, Changemakers Refugee Resettlement Forum and Wētā FX. And Amy Hughes (Zoo Director Communications, Experience and Conservation) was named in the Top 10 of the Top 50 World Zoo and Aquarium influencers. Unfortunately, visitor generated revenue was negatively impacted by multiple factors during the quarter, including the economic downturn and continued inclement weather, particularly during the December/January school holidays. This contributed to the Trust having an operating deficit of -$523k as at 31 December against a budgeted deficit of -$211k.

Ngā mahinga e whai ake nei | Next actions

1. Not applicable.

Attachments

Attachment 1.	Basin Reserve Trust - BalanceSheetReport 31 December 2024	Page 125
Attachment 2.	Basin Reserve Trust - CashMovementReport YTD December 2024	Page 126
Attachment 3.	Basin Reserve Trust - ProfitAndLossReport YTD Dec 2024	Page 129
Attachment 4.	BRT Quarterly Report 2024-25 Quarter 2	Page 132
Attachment 5.	Experience Wellington Quarterly Report 2024-25 Quarter 2	Page 135
Attachment 6.	Experience Wellington Statement of Financial Performance - 31 December 24	Page 139
Attachment 7.	Experience Wellington Statement_of_Financial_Position - 31 December 24	Page 140
Attachment 8.	Karori_Sanctuary_Trust_Inc__-_Balance_Sheet Dec24	Page 142
Attachment 9.	Karori_Sanctuary_Trust_Inc__-_Profit_and_Loss Jul-Dec 2024	Page 143
Attachment 10.	Karori_Sanctuary_Trust_Inc__-_Statement_of_Cash_Flows Jul-Dec 2024	Page 144
Attachment 11.	KST (Zealandia) Quarterly Report 2024-25 Quarter 2	Page 145
Attachment 12.	Wellington Cable Car Limited Financial Report - 31 December 24	Page 148
Attachment 13.	Wellington Cable Car Limited Quarterly Report 2024–25 Quarter 2	Page 154
Attachment 14.	Wellington Zoo Quarterly Report 2024–25 Quarter 2	Page 157
Attachment 15.	WellingtonNZ Quarterly Report 2024-25 Quarter 2	Page 163
Attachment 16.	Sky Stadium Strategy Document 2024	Page 170
Attachment 17.	Wellington Regional Stadium Trust Financials December 2024	Page 182
Attachment 18.	Wellington Regional Stadium Trust Half Year Report 2024-25	Page 187

Trustees in The Basin Reserve Trust
P.O. Box 578
Wellington
(04) 472-3665

Balance sheet report

Accrual mode
31 Dec 2024

	Total			
	Actual	**Last Year**	**Variance $**	**Variance %**
1-0000 Assets				
1-0500 Current Assets				
1-1000 Cash at Bank and on Hand				
1-1100 Westpac Cheque Account	28,508.82	17,159.34	11,349.48	66
1-1200 Westpac Savings Account	337,502.08	247,499.41	90,002.67	36
Total Cash at Bank and on Hand	**366,010.90**	**264,658.75**	**101,352.15**	**38.30%**
1-2000 Receivables				
1-2100 Accounts Receivable	177,965.00	133,251.57	44,713.43	34
1-2200 Accrued Revenue	(5,000.00)	0.00	(5,000.00)	-
Total Receivables	**172,965.00**	**133,251.57**	**39,713.43**	**29.80%**
Total Current Assets	**538,975.90**	**397,910.32**	**141,065.58**	**35.45%**
1-8000 Fixed Assets				
1-8100 Fixed Assets Opening Cost	798,819.51	770,894.00	27,925.51	4
1-8200 Fixed Asset Additions	14,272.12	23,625.00	(9,352.88)	-40
1-8210 Fixed Asset - LCD Screen WIP	504,604.67	0.00	504,604.67	-
1-8400 Fixed Asset Accum Depreciation	(511,706.00)	(430,025.00)	(81,681.00)	19
Total Fixed Assets	**805,990.30**	**364,494.00**	**441,496.30**	**121.13%**
Total Assets	**1,344,966.20**	**762,404.32**	**582,561.88**	**76.41%**
2-0000 Liabilities				
2-0010 Current Liabilities				
2-2000 Accounts Payable	289,094.83	67,174.52	221,920.31	330
2-2100 Accrued Expenses	0.00	187,523.73	(187,523.73)	-100
2-3000 Income Received in Advance	8,750.00	0.00	8,750.00	-
2-3100 Class 4 Gaming Funding - New Screen	150,000.00	0.00	150,000.00	-
2-3105 Donation Funding - New Screen	300,000.00	0.00	300,000.00	-
2-5100 GST Collected	0.00	(11,100.53)	11,100.53	-100
2-5200 GST Paid	(30,261.72)	(332.00)	(29,929.72)	9015
2-5300 GST Paid/(Refunded)	11,221.53	7,047.09	4,174.44	59
Total Current Liabilities	**728,804.64**	**250,312.81**	**478,491.83**	**191.16%**
2-8100 Advance - Turf Renewal	166,426.00	0.00	166,426.00	-
Total Liabilities	**895,230.64**	**250,312.81**	**644,917.83**	**257.64%**
Net Assets	**449,735.56**	**512,091.51**	**(62,355.95)**	**-12**
3-0000 Equity				
3-1000 Opening Retained Earnings	451,666.43	561,111.42	(109,444.99)	-20
3-2000 Current Earnings	(2,030.87)	(39,119.91)	37,089.04	-95
3-3000 Settlors Fund	100.00	100.00	0.00	0
3-9999 Historical Balancing Account	0.00	(10,000.00)	10,000.00	-100
Total Equity	**449,735.56**	**512,091.51**	**(62,355.95)**	**-12.18%**

Trustees in The Basin Reserve Trust
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Cash movement report

Accrual mode
01 Jul 2024 - 31 Dec 2024

	Total
4-0000 Income	
4-1000 Grant Income	
4-1100 Grant Wellington City Council	421,219.00
Total Grant Income	**421,219.00**
4-2000 Ground Hire Income	
4-2100 Ground Hire International Cricket	107,100.00
4-2200 Ground Hire Domestic Cricket	20,000.00
4-2300 Ground Hire Winter Sports	1,043.48
4-2400 Ground Hire Other Events	12,992.98
Total Ground Hire Income	**141,136.46**
4-3000 Other Income	
4-3100 Concession Income	14,999.60
4-3200 Sponsorship	55,481.00
4-3600 Picket Fence Income	4,912.36
4-3650 Rental Income	8,000.00
Total Other Income	**83,392.96**
4-4000 Interest Income	
4-4100 Interest Income	4,044.23
Total Interest Income	**4,044.23**
4-8900 WCC Asset Renewal Grant Claims	261,150.00
4-8901 Turf Renewal	18,574.00
Total Income	**929,516.65**
Gross Profit	**929,516.65**
6-0000 Expenses	
6-1000 Building Expenses	
6-1100 Repairs & Maintenance	1,714.57
6-1200 Cleaning	31,138.55
6-1300 Electrical Services	630.00
6-1400 Fire System	2,658.93
6-1500 Painting	511.22
6-1600 Pest Control	2,030.70
6-1800 Other	2,801.36
Total Building Expenses	**41,485.33**
6-2000 Ground Expenses	
6-2300 Cleaning	1,109.22
6-2400 Irrigation	18,574.00
6-2500 Painting	584.51
6-2700 Rubbish Removal	7,899.85
6-2800 Structures Repairs & M	3,401.68
6-2900 Turf Management	291,484.56

	Total
Total Ground Expenses	**323,053.82**
6-3000 Occupancy Expenses	
6-3100 Gas	1,924.97
6-3200 Electricity	25,111.84
6-3300 Rates	34,952.34
6-3400 Security	14,720.26
6-3500 Telephones & Internet	2,032.50
6-3600 Water Rates	4,294.64
6-3700 Television	2,730.90
6-3800 Insurance	9,725.83
6-3900 Consumables Laundry & Toilet	22,641.60
Total Occupancy Expenses	**118,134.88**
6-4000 Event Running Expenses	
6-4100 Event Running	62,426.42
Total Event Running Expenses	**62,426.42**
6-5000 Administration Expenses	
6-5100 Audit Fee	(70.00)
6-5200 Accounting	319.44
6-5300 Bank Fees	27.21
6-5400 Consultants	20,481.00
6-5500 Management Fee	86,187.50
Total Administration Expenses	**106,945.15**
6-6000 Other Expenses	
6-6400 Marketing	3,735.98
6-6500 Miscellaneous Expenses	479.30
6-6600 Picket Fence Expenses	559.78
6-6700 Grant Wellington City Council	236,314.86
Total Other Expenses	**241,089.92**
6-7000 Depreciation Expense	
6-7100 Depreciation Expense	38,412.00
Total Depreciation Expense	**38,412.00**
Total Expenses	**931,547.52**
Operating Profit	**(2,030.87)**
Net Profit	**(2,030.87)**
1-0000 Assets	
1-0500 Current Assets	
1-2000 Receivables	
1-2100 Accounts Receivable	25,950.16
1-2200 Accrued Revenue	(25,579.00)
1-3000 Prepayments	(15,552.62)
Total Receivables	**(15,181.46)**
Total Current Assets	**(15,181.46)**
1-8000 Fixed Assets	
1-8100 Fixed Assets Opening Cost	27,925.51
1-8200 Fixed Asset Additions	(13,653.39)
1-8210 Fixed Asset - LCD Screen WIP	504,604.67
1-8400 Fixed Asset Accum Depreciation	(38,412.00)
Total Fixed Assets	**480,464.79**
Total Assets	**465,283.33**

	Total
2-0000 Liabilities	
2-0010 Current Liabilities	
2-2000 Accounts Payable	(16,882.91)
2-2100 Accrued Expenses	(18,300.00)
2-3000 Income Received in Advance	(12,992.98)
2-3100 Class 4 Gaming Funding - New Screen	150,000.00
2-3105 Donation Funding - New Screen	300,000.00
2-5300 GST Paid/(Refunded)	37,724.13
Total Current Liabilities	**439,548.24**
2-8100 Advance - Turf Renewal	166,426.00
Total Liabilities	**605,974.24**
3-0000 Equity	
3-1000 Opening Retained Earnings	(109,444.99)
3-2000 Current Earnings	109,444.99
Total Equity	**0.00**
GST Movement	
2-5100 GST Collected	(1,462.69)
2-5200 GST Paid	(30,837.60)
Total GST Movement	**(32,300.29)**
Net Cash Movement in (Out)	**106,359.75**
Opening Balance	**259,651.15**
Cash Movement	
1-1100 Westpac Cheque Account	(90,628.82)
1-1200 Westpac Savings Account	196,143.32
1-1600 Undeposited Funds	845.25
Total Cash Movement	**106,359.75**
Closing Balance	**366,010.90**

Trustees in The Basin Reserve Trust
P.O. Box 578
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Profit and loss report

Accrual mode
01 Jul 2024 - 31 Dec 2024

	Jul 24-Jun 25	Total
4-0000 Income		
4-1000 Grant Income		
4-1100 Grant Wellington City Council	421,219.00	421,219.00
4-1200 Grant Other	0.00	0.00
Total Grant Income	**421,219.00**	**421,219.00**
4-2000 Ground Hire Income		
4-2100 Ground Hire International Cricket	107,100.00	107,100.00
4-2200 Ground Hire Domestic Cricket	20,000.00	20,000.00
4-2300 Ground Hire Winter Sports	1,043.48	1,043.48
4-2400 Ground Hire Other Events	12,992.98	12,992.98
Total Ground Hire Income	**141,136.46**	**141,136.46**
4-3000 Other Income		
4-3100 Concession Income	14,999.60	14,999.60
4-3200 Sponsorship	55,481.00	55,481.00
4-3300 Screen Hireage	0.00	0.00
4-3500 Donations	0.00	0.00
4-3550 Gold Membership Subscriptions	0.00	0.00
4-3600 Picket Fence Income	4,912.36	4,912.36
4-3650 Rental Income	8,000.00	8,000.00
4-3700 Miscellaneous Income	0.00	0.00
Total Other Income	**83,392.96**	**83,392.96**
4-4000 Interest Income		
4-4100 Interest Income	4,044.23	4,044.23
Total Interest Income	**4,044.23**	**4,044.23**
4-8900 WCC Asset Renewal Grant Claims	261,150.00	261,150.00
4-8901 Turf Renewal	18,574.00	18,574.00
Total Income	**929,516.65**	**929,516.65**
Gross Profit	**929,516.65**	**929,516.65**
6-0000 Expenses		
6-1000 Building Expenses		
6-1100 Repairs & Maintenance	1,714.57	1,714.57
6-1200 Cleaning	31,138.55	31,138.55
6-1300 Electrical Services	630.00	630.00
6-1400 Fire System	2,658.93	2,658.93
6-1500 Painting	511.22	511.22
6-1600 Pest Control	2,030.70	2,030.70
6-1700 Plumbing	0.00	0.00
6-1800 Other	2,801.36	2,801.36
Total Building Expenses	**41,485.33**	**41,485.33**
6-2000 Ground Expenses		

	Jul 24-Jun 25	Total
6-2100 Electrical Services	0.00	0.00
6-2200 Equipment Hire	0.00	0.00
6-2300 Cleaning	1,109.22	1,109.22
6-2400 Irrigation	18,574.00	18,574.00
6-2500 Painting	584.51	584.51
6-2600 Plumbing	0.00	0.00
6-2700 Rubbish Removal	7,899.85	7,899.85
6-2800 Structures Repairs & M	3,401.68	3,401.68
6-2900 Turf Management	291,484.56	291,484.56
6-2950 Karori P Operate Contribution	0.00	0.00
Total Ground Expenses	**323,053.82**	**323,053.82**
6-3000 Occupancy Expenses		
6-3100 Gas	1,924.97	1,924.97
6-3200 Electricity	25,111.84	25,111.84
6-3300 Rates	34,952.34	34,952.34
6-3400 Security	14,720.26	14,720.26
6-3500 Telephones & Internet	2,032.50	2,032.50
6-3600 Water Rates	4,294.64	4,294.64
6-3700 Television	2,730.90	2,730.90
6-3800 Insurance	9,725.83	9,725.83
6-3900 Consumables Laundry & Toilet	22,641.60	22,641.60
Total Occupancy Expenses	**118,134.88**	**118,134.88**
6-4000 Event Running Expenses		
6-4100 Event Running	62,426.42	62,426.42
6-4200 Casual Staff	0.00	0.00
Total Event Running Expenses	**62,426.42**	**62,426.42**
6-5000 Administration Expenses		
6-5100 Audit Fee	(70.00)	(70.00)
6-5200 Accounting	319.44	319.44
6-5300 Bank Fees	27.21	27.21
6-5400 Consultants	20,481.00	20,481.00
6-5500 Management Fee	86,187.50	86,187.50
Total Administration Expenses	**106,945.15**	**106,945.15**
6-6000 Other Expenses		
6-6100 Bad Debts	0.00	0.00
6-6200 Capital Contributions	0.00	0.00
6-6300 Interest Expense	0.00	0.00
6-6400 Marketing	3,735.98	3,735.98
6-6500 Miscellaneous Expenses	479.30	479.30
6-6600 Picket Fence Expenses	559.78	559.78
6-6700 Grant Wellington City Council	236,314.86	236,314.86
Total Other Expenses	**241,089.92**	**241,089.92**
6-7000 Depreciation Expense		
6-7100 Depreciation Expense	38,412.00	38,412.00
Total Depreciation Expense	**38,412.00**	**38,412.00**
Total Expenses	**931,547.52**	**931,547.52**
Operating Profit	**(2,030.87)**	**(2,030.87)**
8-0000 Other Income		
8-9999 Asset Renewal Claims - WCC	0.00	0.00

	Jul 24-Jun 25	Total
Total Other Income	**0.00**	**0.00**
Net Profit	**(2,030.87)**	**(2,030.87)**

Basin Reserve Trust

Report to the Wellington City Council LTP, Finance & Performance Committee

Second Quarter ending 31 December 2024

Highlights

- A sold-out Blackcaps vs. England test match.
- A three-match series White Ferns vs. Australia (first match cancelled due to rain).
- The LED screen project was completed and in use for the England test match.
- Domestic cricket underway – Ford Trophy, Plunket Shield, HBJ, and Super Smash.
- Women's community club cricket played at the Basin due to the cancellation of Beers at the Basin.

Challenges

Loss of revenue and numbers due to the cancellation of Beers at the Basin and the Englnad test match only lasting three days.

Change in human resource at Cricket Wellington who manages the Service Agreement for the Basin Reserve Trust. Handover and onboarding is underway.

Performance Measures (KPIs) in the SOI 2024/25

Performance Measures (Quarterly Targets)

Measure	Annual Target	YTD	Q2 Target	Q2 Actual	Comments
Ticketed Cricket Events	13	7	7	6	*The England test only lasted for three days so we are one day short on the estimated four days we allowed for.*
Practice Facility Usage	100	48	45	33	🟩
Function Days	80	30	20	25	🟩

Performance Measures (Annual Targets)

Measure	Annual Target	YTD	Comments
Numbers Attending Events	40,000	22,500	*England test only lasted three days and no Beers at the Basin.*

	Event Income	$390,000	$ 273,300	*No Beers at the Basin.*	
	Council Operating Grants	$842,438	$421,219	🟩	
	Cash Subsidy (per attendance)	21.06	18.72	🟩	

FINANCIAL PERFORMANCE	31 Dec 24	31 Dec 24	31 Dec 24	30 Jun 25
($000)	YTD Actual	YTD Budget	YTD Variance	Full Year Forecast
Total Revenue	929,516	820,736	108,780	1,357,737
Total Expenses	931,547	729,813	201,734	1,411,316
Surplus (Deficit)	(2,031)	90,923	(92,954)	(53,579)
FINANCIAL POSITION				
Total Assets	1,344,966	1,105,788	239,178	856,087
Total Liabilities	895,230	674,853	(220,377)	569,654
Equity	449,736	430,935	18,801	286,433
CASH FLOWS				
Total Net Cash Flows	106,360	200,003	(93,643)	228,530
Opening Cash	259,651	280,526	(20,875)	280,526
Closing Cash	366,011	480,529	(114,518)	509,056

Financial Commentary

Variance Analysis and points to note:

- Revenue is above budget due to the extra $143k Asset Renewal amount to cover the work on the new Don Neely screen, extra Turf Management income ($18k recognised so far to net off actual costs), offset by Beers at the Basin being cancelled, and some timing differences as when domestic and international fixtures ground hire have been invoiced.
- Total expenses are also above budget due to the expense offset of the asset renewal costs (both the $143k extra for the Don Neely screen plus 2024/25 asset renewals to date by $34k), turf management costs, rates, insurance (new screen), and building cleaning and event costs.
- The Basin Reserve Trust is now tracking for an approx. $85k loss compared to the budget of $53k loss.
- Please note the budget cashflow was inaccurate by approx. $300k (accounting error), we are tracking to have cashflow of approx. $187k as at 30 June 2025.

Coming Up
· Super Smash season including hosting the Elimination and Grand Finals. · Multi-cultural Festival – community event. · Continuing the Ford Tophy, Plunket Shield and Hallyburton Johnstone Series. · Community cricket – Men’s and Women’s Finals.

Report to Wellington City Council

Finance & Performance Committee

Second Quarter ended 31 December 2024

Highlights

Financial Sustainability

- Retail results are above the year-to-date budget despite lower cruise ship numbers. The focus has been on increasing "basket" size with a higher average spend per customer. Costs continue to track below budget with careful management and monitoring, particularly in the employee space where pragmatic decisions regarding attrition and remuneration increases were made.
- In December we launched our overarching fundraising vision for the next 18 months, Pōneke Rocks. We introduced our plan to rejuvenate Pōneke and Te Ngākau with creativity and art. Attending the launch were donors and philanthropic prospects who we will seek funding from to support Nōku Te Ao Capital E's move to Te Matapihi and Te Whare Toi City Gallery Wellington's return to Te Ngākau.
- The newly implemented International Admission charging at Wellington Museum has been a successful revenue boost bringing in just over $47,000 from 1 October 2024 - 31 December 2024.

Nōku te Ao|Capital E

It has been a world of illusion in PlayHQ over the last six months allowing tamariki senses to lead the way with things to see, touch and listen for in *Topsy Turvy,* as well as the return of our much-loved slide taking centre stage. *Topsy Turvy* is our first install to play only classical music as a relaxing back drop in the PlayHQ space. "*I especially liked the calm music and atmosphere that's created for kids and parents*". We were also able to implement an accessibility kit at the start of *Topsy Turvy* as a support for children. This has been positively received and used by visitors. Due to the success of this accessibility kit we are now looking at providing these kits across all our sites. *Topsy Turvy* continues until the beginning of May 2025.

Te Ara Whānui Ki Te Rangi | Space Place

Quarter 2 saw approximately 250 people attend the Rocket Launch activation for Space week and large numbers of education groups through Space Place engaging with the Solar Tsunami travelling exhibitions and accompanying planetarium show.

Te Whare Toi | City Gallery Wellington

- Progress on design for the Gallery refurbishment and upgrade of essential services has progressed with WCC, Architecture+ and Wheako Pōneke Experience Wellington staff refining priorities within available budget. It is exciting to see a strong commitment to realising substantial improvements to the functionality and future proofing of the building
- The Gallery continued its programmes of exhibitions and events at partner galleries around Wellington with *Derek Jarman: Delphinium Days,* and *Paul Johns: Beautiful Flowers and How to Grow Them*, opening at the Dowse Art Museum on 28 September. Artist and activist Derek Jarman is one of the most important and influential figures in twentieth century British culture. As an early campaigner for the rights of the LGBTQIA+ community and people living with HIV and AIDs, he created art that sought to challenge the normative culture and reigning neoliberal politics of his (and our) times. These exhibitions were accompanied by a well-received programme of events, notably the Bluest Ball, a celebration of Queer art, history and existence, held on 30 November. On the same day *Meditations* exhibition at the National Library Gallery and features work by artists Moorina Bonini (Yorta Yorta/Wurundjeri/Wiradjuri), Lily Dowd, Te Ara Minhinnick (Ngaati Te Ata) and Dr Areta Wilkinson (Kai Tahu). Curated by Israel Randall, *Meditations* explores creative practice as a dynamic archive- an active space of knowledge transmission and collective imagination
- In November Ronnie van Hout's *Quasi* was helicoptered off the Gallery's roof where it has presided over Te Ngākau since 2019 and returned to Australia.

Te Waka Huia o Ngā Taonga Tuhu Iho | Wellington Museum

The Museum's *Te Wheke* Gallery is hosting the touring exhibition *Fortune,* supported by the Chinese Poll Tax Heritage Trust, which opened on 30 November. At the heart of *Fortune* is a knitted yum cha banquet, created during the 2021 Covid lockdown by Auckland-based, Wellington born artist Bev Moon which explores history, culture and shared family traditions. *Fortune* is a heartfelt homage to the artist's Taishanese mother and grandmother, who were skilled cooks and knitters. It is also a reflection of their good fortune in being two of only 500 Chinese women and children granted temporary refuge in New Zealand during the Sino-Japanese War, allowing them to reunite with their family. The 29th November opening was attended by members of the artists whanau and Chinese community. Accompanying the knitted feast are the sounds of a yum cha restaurant, hanging lanterns, images and objects from Bev's family collection, and two new works loaned exclusively to the Museum.

Challenges

Financial Sustainability

- Whilst the current YTD surplus of $601k is a very positive position to be in at this time of the year, there are some timing differences and upcoming cost pressures to still be managed. We also anticipate needing to further revise down some revenue targets for the remainder of the year. We continue to manage our finances carefully as a continuing process to build up funds for current and future capital needs. We are also preparing budgets for 2025/26, which are under proving a challenge to bring to a break-even position. Ending the current year with a surplus and small build-up of reserves is highly desirable.
- The fundraising and giving environment continues to be challenging with many grant funders reducing their scope and criteria for giving. Additionally, charities across the country have higher asks as costs escalate and funding tightens – as a result we are seeing welfare charities prioritised. In addition, the sponsorship market is tight. This is the toughest fundraising environment we have seen for more than a decade.
- International Admission fees at Wellington Museum have affected our general donations at this site quite substantially. We expect this to continue, and we did mitigate this in our budgeting.

Te Whare Toi | City Gallery Wellington

The closure of the Gallery continues to limit the number of exhibitions we can present and visitors we can attract at the National Library Gallery, and it remains a challenge to keep the brand profile visible. Attention is turning toward the reopening of the building in mid-2026 and we will begin communicating the future of the refreshed gallery in mid-2025.

Coming Up

Cable Car Museum

A refresh of the Red Rattler exhibition at the Cable Car Museum will be completed in 2024/25 with an updated interpretive display surrounding the historic Red Rattler cable car. This is the next stage of a site-wide exhibition upgrade following completion of the central exhibition area in 2023/24

Nōku te Ao|Capital E

- Preparations for Te Rā o Ngā Tamariki Children's Day, on March 1st are well underway. This is our biggest event of the year where we take over Queens Wharf in the Wellington CBD for one day to celebrate our tamariki. This free event for whānau includes stage performances, face-painting, and lots of interactive activities. The upcoming 2025 programme includes some exciting new activities, as well as crowd-favourites from years' past.
- The new Play HQ install plan is now well established, due for installation in Quarter 4. *Kiwi Burrows* (working title) marks the final play activation in our current site and is the perfect send-off to 4 Queens Wharf in a way that acknowledges the journey we've had and the journey to come. Rawiri Walsh Ngā Rauru Kītahi, Taranaki Whānui ki Te Upoko o Te Ika, Ngāti Rangi, Te Āti Haunui a Pāpārangi, and Ngāti Raukawa ki te Tonga from Capital Kiwi has been engaged to provide a matauranga Māori perspective on Kiwi Burrows. Kiwi are taonga to Aotearoa and are easily recognisable by all ages. Kiwi shelter in burrows, which are made several weeks before being inhabited to allow moss, earth and plant matter to naturally distribute and camouflage the burrow from predators. Along with themes of moving homes, *Kiwi Burrows* will focus on the importance of conservation and protecting wildlife around Pōneke and beyond. *Kiwi Burrows* proposes to create a realm where tamariki can become the kiwi and get a feel for what it'd be like to live on the forest floor. The space will be cosy and earthy, with a focus on smaller spaces to explore and snuggle up in.

Te Ara Whānui Ki Te Rangi | Space Place:

Install for the third and final stage of the Space Place Exhibition Renewal Project is scheduled for March - April 2025. A full-site closure for a period of two weeks at the start of March is expected with final install work completed mid-April. Any remedial work and reporting of this upgrade project will be completed with project closure scheduled for June 2025.

Te Whare Toi | City Gallery Wellington

- In January 2025 the kick-off for the programme of work with developed design is expected. Naylor Love was appointed as the main contractor and has commenced preliminary investigations for earthquake strengthening. Construction is due to begin in February.
- An approach last year by the UNSW Gallery, Sydney to show *Derek Jarman: Delphinium Days* has resulted in the exhibition tour extending to a third venue. The exhibition will open on 15 February and run through Sydney Pride Month.
- *Wesley John Fourie: HYPERBALLAD* is an exhibition led by Senior Curator (Toi) Aaron Lister presented in partnership with Wellington City Council and will be shown on the Courtenay Place Lightboxes 15 February - 1 June 2025.
- At the National Library Gallery *Mediations* continues to 29th March and will be followed by *Site Seeing: Conor Clark, Bridget Reweti*, an exhibition by two New Zealand photographers.

Te Waka Huia o Ngā Taonga Tuhu Iho, Wellington Museum

- A long-term rotating exhibition programme for the gallery *Te Wheke* is being developed whilst looking at options to cleverly phase a refreshment of some permanent spaces within the current budget constraints.

- ‘Chosen Family Night’ will be held at Wellington Museum in March. This Public Programme celebrates ‘chosen family’ which is a concept particularly meaningful to the rainbow community who often experience alienation from their biological family and community simply for being who they are.
- Planning is still in progress by Council for the minor earthquake strengthening works. This is expected to require temporary closure of the stairwell. We are working to identify appropriate timing to minimise impact on visitation, avoiding busy periods such as the summer season and school holidays. At this stage we anticipate that works may begin July/August 2025.
- Waitangi exhibition related to the 50-year anniversary of the Waitangi Tribunal – planning is in progress for this exhibition featuring 50 photographs recording the history of the Tribunal. We will be wrapping around public programmes and learning programmes to support this exhibition, which is to be held in Te Waka Huia.

Performance Measures (KPIs) in the SOI 2024/25

Physical Visitation: The total number of visits to institutions including general public, education and function attendees. The annual target is reviewed each year and benchmarked against the average visitation for the institution during the previous three years

Green = On track or target met
Orange = At risk of not achieving target
Red = will not reach target

	2024/25 Quarter 2		2024/25 Annual	
Visitor Numbers	**Actual**	**Target**	**Actual (YTD)**	**2023/24 Target**
City Gallery Wellington	56,034	12,500	103,072	50,000
Wellington Museum	28,091	40,000	52,909	130,000
Nōko te Ao Capital E	8,342	10,000	20,403	45,000
Cable Car Museum	76,851	65,000	119,694	195,000
Space Place	11,802	12,500	*19,427	50,000
Nairn St Cottage	85	150	162	500
Experience Wellington Total	**181,223**	**140,150**	**315,667**	**470,500**

*Space place was closed for a period of time for exhibition upgrades

Children & Young People Visiting for a Learning Experience: The number of students as part of a booked group visiting institutions for learning experiences. The delivery of ELC (Enriching Local Curriculum) is part-funded by the Ministry of Education.

*Learning Experience Visitors	2024 YTD Result	2024 Target
Experience Wellington Total	**14,886**	**23,100**

* This reporting covers the 2024 Calendar year. Learning numbers remain slow to return after covid. Ongoing focus to increase engagement with kura and review our learning approaches.

Health and Safety: No preventable serious harm incidents involving workers or visitors as defined by the Health and Safety at Work Act 2015.

Notifiable Health and Safety Incidents	2024/25 YTD Result	2024/25 Target
Experience Wellington Total	0	**0**

Financial Performance Measures

Financial Performance ($000)	31 Dec 24 YTD Actual	31 Dec 24 YTD Budget	31 Dec 24 YTD Variance	31 Dec 24 Full Year Forecast
Total Net Revenue	$7,148,282	$7,234,323	-$86,041	$14,567,000
Total Expenses	$6,547,379	$7,377,323	-$829,944	$14,810,000
Surplus/Deficit	$600,903	-$143,000	$743,903	$-243,000
Financial Position				
Total Assets	$10,650,052	$5,680,000	$4,970,052	$5,619,000
Total Liabilities	$6,257,886	$2,593,000	$3,664,886	$2,627,000
Equity	$4,392,166	$3,040,000	$1,352,166	$2,992,000
Cash Flows				
Total Net Cash Flows	$4,494,010	-$1,223,000	$3,271,010	-$513,500
Opening Cash	$2,160,919	$5,646,000	-$3,485,081	$1,686,000
Closing Cash	$6,654,929	$4,423,000	$2,231,929	$1,172,500

Financial Performance Summary

- The YTD surplus of $601k was primarily driven by reduced costs in most expense groups and good results in retail and interest income.
- ***Trading Income*** – Actuals year-to-date of $923k, while up against budget, results are lower than this time last year by ($83k).
    - There's a positive variance of $141k in Retail Sales. This increase almost mirrors the same level of uplift for the same time last year. So, while cruise visitor numbers are lower, the spend per visitor has increased.
    - Admissions (excluding international admissions at Te Waka Huia) are down against budget and the same time last year by $59k. Space Place was closed for a short period and then on reduced admission charges during a period of upgrades. This variance will continue.
    - International Admissions at Te Waka Huia Wellington Museum have brought in $19k for December. Figures for previous months – October 24 $12k, November 24 $16k.
    - Venue Hire is down YTD, Christmas is traditionally the quiet period, which will continue into January. However, compared to this time last year, the change overall is significant, and this area remains a risk. We have revised the Venue Hire budget down by $38k to $190k but this may need further revision after the Christmas and holiday period is complete.
- ***Partnerships and Sponsorship*** – Actuals year-to-date of $170k are under the SOI budget by $88k.
    - Revenue in Advance currently holds $40k of unallocated grants received
    - In addition, we have unallocated grants from the Carter Observatory Trust (COT) of $89k.
    - Grants received this financial year are $49k for EW and $55k for COT, so $104k in total.
    - Donation income remains low even compared to the previous year (down $36k).
- ***Employee Costs*** – This is $325k under budget year-to-date.
    - This area remains under budget as a result of not having a full complement of ELT staff for 4 of the 6 months.
    - We are holding vacancies where possible and, in some cases, not re-filling roles once vacated.
    - There have also been changes in the requirements for VX staff in the City Gallery alternate sites with fewer staff needed at the National Library.
    - There are additional savings made by a change in the REM rises. A 2% increase was applied to most staff vs the 4.8% originally budgeted, saving an estimated $250k. This will remain an ongoing saving.

Non-Council Revenue: The total amount of revenue (net of costs) generated from non-Council sources:
Trading includes admissions, retail, venue hire, sub-letting, and interest. Fundraising includes donations, sponsorships, other grants, and cultural grants (excludes Ministry of Education funding).

Measure	2024/25 YTD Result	2024/25 FY Budget
Non-Council Revenue ($'000)	$1,564,449	$3,361,392
Fundraising ($'000)	$170,489	$774,548
Spend per Visit ($)	$2.92	$3.81
Subsidy per Visit ($)	$15.43	$20.71

Statement of Financial Performance

Experience Wellington
For the month ended 31 December 2024

Account	Month Actual	Month Budget	Variance	YTD Actual	YTD Budget	Variance	Full Yr Budget	Revised Budget	2023/2024 YTD
Trading Income									
Trading Income									
201 - Retail Sales	155,709	98,179	57,531	575,981	434,864	141,117	870,500	870,500	578,460
202 - Bar	0	1,590	-1,590	5,375	7,044	-1,669	14,100	14,100	12,815
203 - Site Tours - Visitor Services	1,728	226	1,502	3,344	999	2,345	2,000	2,000	6,360
204 - Admissions	48,270	52,808	-4,538	196,893	268,598	-71,705	535,587	495,587	256,162
213 - International Admissions	18,966	12,837	6,129	47,382	65,291	-17,909	130,191	130,191	0
205 - Membership	636	1,353	-718	2,230	5,995	-3,765	12,000	6,000	4,267
206 - Venue Hire	6,901	25,715	-18,814	89,887	113,899	-24,012	228,000	190,000	147,588
208 - Royalties - Planaterium	0	282	-282	1,718	1,249	469	2,500	2,500	0
Total Trading Income	**232,210**	**192,989**	**39,220**	**922,809**	**897,939**	**24,871**	**1,794,878**	**1,710,878**	**1,005,653**
Partnerships & Sponsorships									
215 - Grants - Other	60,000	15,697	44,303	112,250	69,069	43,181	166,000	180,000	51,401
217 - City Gallery Wellington Foundation	0	4,728	-4,728	0	20,804	-20,804	50,000	75,000	0
219 - Fundraising Events	66	473	-407	3,279	2,080	1,198	5,000	5,000	717
220 - Partnerships & Sponsorships	2,500	4,255	-1,755	2,500	18,723	-16,223	45,000	45,000	3,685
221 - Donations - General	3,838	11,967	-8,129	31,461	52,654	-21,193	126,548	126,548	59,180
222 - Donations - Major Donors	5,000	2,837	2,163	8,000	12,482	-4,482	30,000	30,000	17,500
225 - Fundraising - Capital	0	12,667	-12,667	13,000	83,000	-70,000	313,000	313,000	
Total Partnerships & Sponsorships	**71,404**	**52,624**	**18,780**	**170,489**	**258,812**	**-88,323**	**735,548**	**774,548**	**132,484**
Public Programmes									
240 - Public Programmes Event Ticket Sales	1,458	11,452	-9,995	55,462	67,355	-11,894	112,000	112,000	43,449
241 - Public Programmes Tours	0	0	0	0	0	0	0	0	269
243 - Public Programmes - Other Income	143	665	-521	3,960	3,910	50	6,501	6,501	2,770
Total Public Programmes	**1,601**	**12,117**	**-10,516**	**59,421**	**71,265**	**-11,843**	**118,501**	**118,501**	**46,488**
Learning									
244 - Learning - School Admission Charges	4,405	13,395	-8,990	43,658	78,782	-35,124	131,000	100,000	54,894
245 - Teacher PLD Charges	0	205	-205	0	1,203	-1,203	2,000	2,000	0
209 - Grants - ELC	27,139	33,300	-6,162	162,832	195,851	-33,019	325,665	325,665	162,832
Total Learning	**31,544**	**46,900**	**-15,356**	**206,490**	**275,835**	**-69,345**	**458,665**	**427,665**	**217,726**
Exhibitions & Curatorial									
253 - Exhibitions & Curatorial - Other	2,400	0	2,400	2,865	0	2,865	0	0	1,525
Total Exhibitions & Curatorial	**2,400**	**0**	**2,400**	**2,865**	**0**	**2,865**	**0**	**0**	**1,525**
WCC Operating Grant									
211 - WCC Operating Grant	811,990	811,990	0	4,871,938	4,871,938	0	9,743,876	9,743,876	4,538,930
212 - WCC Rental Subsidy	168,643	168,667	-23	1,011,860	1,012,000	-140	2,024,000	2,024,000	884,490
216 - Grants - Living Wage		4,250	-4,250	51,000	25,500	25,500	51,000	51,000	100,000
263 - WCC Underwrite	0	0	0	0	0	0	0	0	353
Total WCC Operating Grant	**980,633**	**984,906**	**-4,273**	**5,934,798**	**5,909,438**	**25,360**	**11,818,876**	**11,818,876**	**5,523,773**
Investment Income									
270 - Interest Received	8,096	8,333	-238	71,060	50,000	21,060	100,000	100,000	58,010
Total Investment Income	**8,096**	**8,333**	**-238**	**71,060**	**50,000**	**21,060**	**100,000**	**100,000**	**58,010**
Other Income									
230 - Leasing Income	7,683	1,150	6,533	46,296	6,900	39,396	13,800	13,800	57,080
260 - Other Revenue	1,400	0	1,400	8,609	0	8,609	0	0	11,263
261 - Wages On-charged	11,667	11,667	0	70,810	70,000	810	140,000	140,000	35,655
262 - Contractors fees On-charged	1,200	0	1,200	5,600	0	5,600	0	0	-54
Total Other Income	**21,950**	**12,817**	**9,133**	**131,315**	**76,900**	**54,415**	**153,800**	**153,800**	**103,945**
Total Revenue	**1,349,837**	**1,310,687**	**39,151**	**7,499,247**	**7,540,188**	**-40,941**	**15,180,268**	**15,104,268**	**7,271,529**
Cost of Sales									
Cost of Sales (Trading Income)	100,404	50,978	49,427	350,965	305,866	45,099	612,731	612,731	367,609
Total Cost of Sales	**100,404**	**50,978**	**49,427**	**350,965**	**305,866**	**45,099**	**612,731**	**612,731**	**367,609**
Net Revenue	**1,249,433**	**1,259,709**	**-10,276**	**7,148,282**	**7,234,323**	**-86,041**	**14,567,537**	**14,491,537**	**6,903,920**
Operating Expenses									
Operations & CE	0	846	-846	1,454	5,075	-3,621	10,150	9,642	4,454
VX/Commercial	2,061	1,217	844	17,260	7,300	9,960	14,600	18,870	15,993
FMC	30,961	36,964	-6,003	133,494	245,759	-112,265	464,545	390,260	176,548
Art & City Gallery	2,466	5,421	-2,955	29,280	32,528	-3,248	65,056	59,052	36,644
History & Science	25	4,582	-4,557	6,481	27,492	-21,011	54,984	48,984	29,981
Exhibitions	8,943	47,347	-38,404	331,402	342,096	-10,694	775,217	687,800	345,026
Te ao Maori	0	2,500	-2,500	2,049	15,000	-12,951	30,000	19,000	212
CYPCE	59,029	19,348	39,681	120,159	116,088	4,071	168,855	241,212	49,409
Employee Costs	867,546	768,637	98,909	4,274,619	4,599,823	-325,204	9,065,651	8,857,621	4,269,219
Occupancy Costs	208,385	246,125	-37,740	1,345,270	1,476,753	-131,482	2,953,505	3,010,505	1,299,566
Communication Costs	279	0	279	10,239	0	10,239	0	0	29,351
Technology Costs	2,543	7,500	-4,957	38,748	45,000	-6,252	120,000	160,250	74,999
Professional Fees	1,992	20,022	-18,030	55,209	120,131	-64,922	240,262	255,012	37,561
Administration Fees	34,434	27,777	6,657	125,781	160,556	-34,774	333,323	302,833	170,866
Interest	0	0	0	2	0	2	0	0	0
Depreciation	8,811	16,787	-7,976	55,933	100,723	-44,790	201,446	156,447	50,761
Capital Purchases	0	12,667	-12,667	0	83,000	-83,000	313,000	313,000	0
Total Operating Expenses	**1,227,475**	**1,217,739**	**9,735**	**6,547,379**	**7,377,323**	**-829,944**	**14,810,594**	**14,530,488**	**6,732,869**
Net Surplus/(Deficit)	**21,958**	**41,970**	**-20,011**	**600,903**	**-143,000**	**743,903**	**-243,057**	**-38,951**	**171,052**

Statement of Financial Position

Experience Wellington
As at 31 December 2024

	31 DEC 2024	30 JUN 2024
Assets		
Fixed Assets		
Property, plant and equipment	539,952	569,397
Collections and Artefacts	2,342,316	2,342,316
Total Fixed Assets	**2,882,268**	**2,911,713**
Non-Current Asset		
Legacy Investment with Nikau Foundation	323,959	323,959
Total Non-Current Asset	**323,959**	**323,959**
Current Assets		
Inventory	536,244	434,745
Trade and other receivables	252,651	629,450
Cash and Cash equivalents	6,654,929	2,160,919
Total Current Assets	**7,443,825**	**3,225,114**
Total Assets	**10,650,052**	**6,460,786**
Liabilities		
Current Liabilities		
Trade and other payables	5,779,931	1,973,023
Employee benefits	450,990	668,915
Total Current Liabilities	**6,230,922**	**2,641,938**
Non-current Liabilities		
Provision for Long Service Leave	26,964	26,964
Total Non-current Liabilities	**26,964**	**26,964**
Total Liabilities	**6,257,886**	**2,668,902**
Net Assets	**4,392,166**	**3,791,883**
Equity		
Tagged Funds	143,363	143,363
Reserves (non-cash)	2,563,401	2,564,021
Retained earnings		
Current Year Earnings	600,903	400,549
Retained Earnings	1,084,500	683,950
Total Retained earnings	**1,685,402**	**1,084,500**
Total Equity	**4,392,166**	**3,791,883**

	31 DEC 2024	30 JUN 2024
Working Capital Ratio	119	122
Debt to Equity Ratio	142	70
Current Assets to Total Liabilities	119	121

Balance Sheet

Karori Sanctuary Trust Inc.

As at 31 December 2024

	31 DEC 2024
Assets	
Current Assets	
Bank	5,018,110
Accounts Receivable	191,441
Prepayments	154,947
Stock on Hand	141,972
Investments	141,154
Total Current Assets	**5,647,624**
Fixed Assets	4,959,555
Total Assets	**10,607,179**
Liabilities	
Current Liabilities	
Accounts Payable and Accruals	396,728
GST	209,522
Holiday Pay Accrued	240,462
Income in Advance	1,273,844
Total Current Liabilities	**2,120,555**
Non-current Liabilities	1,565,118
Total Liabilities	**3,685,673**
Net Assets	**6,921,506**
Equity	
Accumulated Funds	
Current Year Earnings	178,876
Retained Earnings	6,742,631
Total Accumulated Funds	**6,921,506**
Total Equity	**6,921,506**

Profit and Loss

Karori Sanctuary Trust Inc.

For the 6 months ended 31 December 2024

	JUL-DEC 2024
Income	
Trading Income	
Admissions	573,057
Membership	253,067
Other trading revenue	1,848,918
Total Trading Income	**2,675,042**
Other Operating Income	
WCC Operating Grant	785,124
WCC Capital Funding	15,749
Sponsorships, grants and donations	792,851
Total Other Operating Income	**1,593,724**
Non-Operating Income	117,158
Total Income	**4,385,923**
Operating Expenses	
Salaries and Wages	2,720,855
Cost of Goods Sold	485,095
Other Operating Expenses	427,765
Trustee Expenses	89,953
Adminstration Costs	282,107
Interest Expense	24,099
STAPP Loan adjustment	16,548
Total Operating Expenses	**4,046,421**
Net Surplus/(Deficit) before Depreciation and Tax	**339,502**
Other Expenses/(Income)	
Depreciation expense	160,626
Total Other Expenses/(Income)	**160,626**
Net Profit	**178,876**

Statement of Cash Flows

Karori Sanctuary Trust Inc.

For the 6 months ended 31 December 2024

	JUL-DEC 2024
Operating Activities	
Receipts from customers	4,814,203
Payments to suppliers and employees	(4,104,022)
Interest received	111,506
Cash receipts from other operating activities	195,878
Net Cash Flows from Operating Activities	**1,017,565**
Investing Activities	
Payment for property, plant and equipment	(906,665)
Net Cash Flows from Investing Activities	**(906,665)**
Net Cash Flows	**110,899**
Cash and Cash Equivalents	
Cash and cash equivalents at beginning of period	4,907,210
Cash and cash equivalents at end of period	5,018,110
Net change in cash for period	**110,899**

Zealandia

Report to the Wellington City Council LTP, Finance & Performance Committee
Second Quarter ending 31 December 2024

Highlights
- Tanglewood House Te Piringa Tangata reached practical completion, and our team members are now using this beautiful, productive workspace.  - Zealandia has achieved a healthy financial result in the first half of the year, well ahead of budget. This puts the organisation in good stead as we continue to work on key infrastructure projects such as the perimeter fence replacement. - We celebrated the launch of a new brand for a project which aims to inspire, connect and motivate businesses in the Kaiwharawhara catchment to care for nature. Previously known as 'Every Business Restoring Nature', Te Ohu Kaiwharawhara will connect people to achieve our common environmental goals. - Zealandia is undertaking a project with partners Tend Trees and the Holdsworth Charitable Trust to explore new ways of utilising exotic tree species to improve forest regeneration – a process never trialled in Aotearoa New Zealand called 'veterinisation'. This is proving to be an extremely successful approach, and provides nest hollows for our native birds. This project is significant in scope and scale, and demonstrates Zealandia's thought-leadership in conservation for New Zealand. - We have engaged GHD engineering firm through a combination of pro-bono work and partnership support from John Nankervis' estate to begin planning the 'blue print' for replacing Zealandia's predator exclusion fence.

Challenges
- Looking forward, Wellington's unpredictable summer weather will no doubt have an implication for our visitation and revenues, though our healthy position for the beginning of the year provides a strong buffer.

ZEALANDIA
TE MĀRA A TĀNE

Performance Measures (KPIs) in the SOI 2024-25

Non-Financial Performance Measures (Quarterly Targets)

	2024/25 Quarter 2		2024/25 Annual		Tracking
Measure	**Actual**	**Target**	**Actual (YTD)**	**Target (YTD)**	
Visitation	38,536	36,000	61,668	57,000	Achieved

Non-Financial Performance Measures (Annual Targets)

Measure	**Actual (YTD)**	**2024/25 Annual Target**	**Tracking**
Percentage of Satisfied Visitors	98.2%	>95%	On track

Financial Performance Measures

Measure	**Actual (YTD)**	**Annual Target 2024/25**	**Tracking**
Average subsidy per visit (Total WCC operating grant/all visitors)	$12.73	$12.90	On track
Average revenue per visitation (excludes Council & Government grants)	$42.36	$37.52	On track
Non-Council Donations/Funding	$792,851	$200,000	On track
Net surplus/-deficit before depreciation and tax [2]	$339,502	$295,448	On track
Non WCC-grant revenues as a % of overall revenue	85.4%	<75%	On track

[2] Net Surplus before depreciation Actual YTD ahead of Budget YTD.

Financial Performance Summary ($000s)

	YTD 31 Dec 2024			Full Year 2025		
	Actual	**Budget**	**Variance**	**Forecast [3]**	**Budget**	**Variance**
Financial Performance						
Revenue	4,386	4,159	227	8,722	8,340	382
Expenditure	4,207	4,279	(72)	8,828	8,564	265
Net Surplus/Deficit	179	(121)	299	(106)	(224)	117
Financial Position						
Assets	9,731	9,432	299	-	9,022	
Liabilities	2,809	2,952	(143)	-	2,492	
Equity	6,922	6,480	441	-	6,529	
Cash Flows						
Net Cash Flows	111	(609)	720	-	(1,131)	
Opening Cash	4,907	4,302	605	-	4,302	
Closing Cash	5,018	3,694	1,324	-	3,171	

[3] Forecast will be reviewed February 2025.

Financial Commentary

- Half year bottom-line surplus of $179k, which is $299k above budget. Total visitation numbers are on budget, but we noted an effect of the poor weather at the end of December on visitation numbers. Tour visitors are up which utilise the premium visitor experience and this has helped push revenue over budget. Grant income recognised on the completion of our Pepeketua/Frog Boardwalk also contributed to increased revenue for the YTD.
- Total expenditure continues to be within budget. We have a large guide pool that is enabling Zealandia to operate tours at full capacity during the busy summer season, and retail is performing very well.

Coming Up

- Zealandia's Terese McLeod is part of a recently funded successful MBIE Smart Ideas funded project, “Recognising Taonga with AI: Facial Recognition for Kākā Conservation Management”. Terese will help enable tikanga Māori to underpin this mahi to ensure that the development and use of an AI tool for recognising this taonga species adhere to kaupapa Māori values.
- We are now moving to the final stages of choosing a new website provider. Our old website is now on an unsupported platform, and it is time to update our presence to ensure it is user-friendly and fit-for-purpose. This is of course an important capital project for Zealandia Te Māra a Tāne.
- We are continuing our focus on members, with efforts to improve and streamline renewal processes in particularly following the introduction of a new CRM.
- We are currently planning the third and final toitoi (common bully) translocation. In repeating this native fish translocation we have been able to both build on our relationships with mana whenua, and increasingly incorporate mātauranga Māori appropriately into the project. This is an exciting final step on the pathway to establishing a good population here at Zealandia.

BDO

Quarterly Report to WCC

Wellington Cable Car Limited
For the 3 months ended 31 December 2024

Contents

BDO

Compilation Report

Wellington Cable Car Limited
For the 3 months ended 31 December 2024

Compilation Report to the Directors of Wellington Cable Car Limited.

Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the quarterly financial statements of Wellington Cable Car Limited for the quarter ended 31 December 2024.

These statements have been prepared in accordance with the notes as detailed in the latest Annual Report.

Responsibilities

The Directors are solely responsible for the information contained in the financial statements and have determined that the Special Purpose Reporting Framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these financial statements.

Director
BDO Wellington Limited
Level 1, 50 Customhouse Quay
Wellington

Dated:

Profit and Loss

Wellington Cable Car Limited
For the 3 months ended 31 December 2024

	Q2 - ACTUAL	Q2 - SOI	VARIANCE TO SOI	YTD - ACTUAL	YTD - SOI	VARIANCE TO SOI
Trading income						
Cable Car Income	1,043,601	1,109,268	(65,667)	1,623,294	1,751,868	(128,574)
Net Merchandise Income	5,654	5,500	154	7,687	6,500	1,187
Dog Calender revenue	3,090	-	3,090	3,090	-	3,090
Venue Hire Revenue	783	-	783	783	-	783
Total Trading income	**1,053,128**	**1,114,768**	**(61,640)**	**1,634,854**	**1,758,368**	**(123,514)**
Cost of Sales						
Cable Car Operations	79,256	94,662	(15,406)	162,228	185,951	(23,723)
Cable Car Maintenance	35,363	43,950	(8,587)	111,356	154,080	(42,724)
Cable Car Wages	406,612	404,966	1,646	799,899	768,563	31,336
Depreciation	97,903	82,152	15,751	190,002	164,304	25,698
Administration expenses	205,505	223,963	(18,458)	424,135	447,701	(23,566)
Total Cost of Sales	**824,640**	**849,693**	**(25,053)**	**1,687,620**	**1,720,599**	**(32,979)**
Operating Surplus/(Loss)	**228,489**	**265,075**	**(36,586)**	**(52,766)**	**37,769**	**(90,535)**
Sundry Income						
Interest Income	69,359	67,500	1,859	150,129	135,000	15,129
Other Income	6,929	-	6,929	16,674	-	16,674
Total Sundry Income	**76,288**	**67,500**	**8,788**	**166,803**	**135,000**	**31,803**
Total Operating Surplus/(Loss) before Grants	**304,776**	**332,575**	**(27,799)**	**114,037**	**172,769**	**(58,732)**
Grant Income						
WCC LTP Funding grant	57,726	-	57,726	170,765	-	170,765
WCC Grant	25,826	-	25,826	25,826	-	25,826
Total Grant Income	**83,552**	**-**	**83,552**	**196,591**	**-**	**196,591**
Surplus/(Loss) before Tax	**388,328**	**332,575**	**55,753**	**310,628**	**172,769**	**137,859**
Taxation						
Income Tax Expense	108,776	-	108,776	87,393	-	87,393
Surplus/(Loss) after Tax	**279,552**	**332,575**	**(53,023)**	**223,235**	**172,769**	**50,466**

Balance Sheet

Wellington Cable Car Limited
As at 31 December 2024

	31 DEC 2024	30 SEPT 2024
Assets		
Current Assets		
Bank accounts	2,269,110	1,415,820
Term deposits	3,300,000	3,810,000
Inventories	70,142	37,639
Accounts Receivable	81,256	82,088
Sundry debtors & prepayments	339,077	517,287
Total Current Assets	**6,059,585**	**5,862,835**
Non-Current Assets		
Cable car equipment	5,234,665	5,209,679
Cable car tracks & wires	2,727,250	2,742,108
Cable car spare parts	769,257	781,544
Furniture & fittings	42,822	44,677
Computer equipment	35,668	40,145
Motor vehicles	74,335	-
Total Non-Current Assets	**8,883,995**	**8,818,153**
Total Assets	**14,943,581**	**14,680,988**
Liabilities		
Current Liabilities		
Trade & other payables	258,333	347,300
GST Payable	84,804	12,107
Income in Advance	3,870	31,258
Income Tax Payable	49,428	21,051
Total Current Liabilities	**396,435**	**411,716**
Non-Current Liabilities		
Deferred Tax	1,240,835	1,184,788
LTP Funding	581,873	639,598
Total Non-Current Liabilities	**1,822,707**	**1,824,387**
Total Liabilities	**2,219,143**	**2,236,103**
Net Assets	**12,724,438**	**12,444,886**
Shareholder's Funds		
Ordinary shares	7,434,846	7,434,846
Retained Earnings	5,289,592	5,010,040
Total Shareholder's Funds	**12,724,438**	**12,444,886**

Statement of Cash Flows

Wellington Cable Car Limited
For the 3 months ended 31 December 2024

	OCT-DEC 2024	JUL-SEPT 2024
Statement of Cash Flows		
Net cash flows from Operating Activities		
Receipts from grants	25,827	279,000
Receipts from operations	1,037,387	548,530
Payments to suppliers and employees	(691,495)	(1,298,712)
Income tax refunded/(paid)	(24,352)	(201,921)
Net GST	72,697	12,480
Total Net cash flows from Operating Activities	**420,064**	**(660,623)**
Net cash flows from Investing Activities		
(Payment for)/receipt from property, plant and equipment	(163,745)	(182,470)
(Payment for)/receipt from investments	596,971	78,291
Total Net cash flows from Investing Activities	**433,226**	**(104,179)**
Net Cash Flows	853,290	(764,802)
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period		
Cash and cash equivalents at beginning of period	1,415,820	2,180,622
Total Cash and cash equivalents at beginning of period	**1,415,820**	**2,180,622**
Net change in cash for period	853,290	(764,802)
Cash and cash equivalents at end of period	2,269,110	1,415,820

WELLINGTON CABLE CAR LTD
Report to the Wellington City Council LTP, Finance & Performance Committee
FY25 – Second Quarter ending 31 December 2024

Highlights

- We have progressed our bridge strengthening seismic work and have divided the work into two parts: catch brackets to improve seating, and pier strengthening. As the seating is comparatively low cost to resolve we have decided to proceed immediately. The work has been submitted for resource consent, and we expect to complete it by December 2025. Pier strengthening includes both the structural and Geotech strengthening of the bridge piers. This issue is lower risk and higher cost; therefore, we have chosen to complete a competitive tender for the professional services including: Geotech investigations, detailed design, consent application, tendering for construction and MSQA (Management, Survellance and Quality Assurance). Both the catch brackets and pier strengthening work will be completed during normal operations.
- We received our new electric van and sold the diesel van. This is expected to reduce our carbon emissions by 10% (4 ton per year).
- As part of developing the Kelburn Precinct options paper, we undertook a workshop with Council officers to further investigate the options identified and their investment potential. Discussions continue with the urban planning and city development teams.
- An MOU was created with Weir House and Everton Hall for a 5-trip pass to be provided to all new student residents including those in Kelburn flats. This initiative will ensure students are introduced to the Cable Car early in their residency - to hopefully become regular customers.
- Several accessibility enhancements were made including new gate decals to improve and better identify the scanner for SuperGold card users and new pages to our website, including downloadable audio commentary files for the hearing impaired.
- We hosted Jono, Ben, Megan, and Producer Ellie from The Hits radio as part of their "Never Have You Ever" tour. It was a fun and engaging way to connect with the local community and encourage Wellingtonians who’ve never ridden the Cable Car to finally tick it off their list. The trio mentioned the Cable Car numerous times while on air and posted to their official and personal channels with a combined following of 235.5k people
- We improved wayfinding in the Kelburn Terminal with a new large scale map highlighting things to do in the precinct and wider environs.
- As part of the Heritage Festival in October, we hosted three two-hour Winding Room sessions with over 100 visitors enjoying the tours.
- On a busy cruise day, we trialed a seafood pop-up stall at Kelburn. This was successfully run by “Food for the People” and brought vibrancy to the area receiving positive feedback. We will look to repeat this on other busy days.

Challenges

- Passenger targets were down 11% due to a combination of ship cancellations and poor weather affecting visitor numbers. Correspondingly revenue was also down 10%.
- We continue to have issues with our passenger entry and exit gates and have experienced incidents of the gates closing on children. We have tried many mitigation measures including Installing additional sensors, adjusting the opening time, installing warning decals on the floor, additional staff etc, and whilst these measures have reduced the number of incidents, we continue to experience them. Therefore, we have decided to replace all our exit and entry gates and are planning for this

work to take place during our annual maintenance shutdown. Gate replacement will be funded from Cable Car reserves.

- Victoria University is strengthening Weir House which involves rock anchors near our upper tunnel. We had concerns about the impact of this strengthening work on the Cable Car upper tunnel but have had a productive meeting with VUW engineers and our own WSP engineers to adjust the design of the project to eliminate any impact.

Performance Measures (KPIs) in the SOI

QUARTERLY MEASURES

MEASURE	**ACTUAL (FY25 Q2)**	**SOI TARGET (FY25 Q2)**	**ACTUAL (YTD)**	**SOI TARGET (YTD)**	**TRACKING**
Tickets sold	255,012	272,000	416,973	447,000	On track
Fare revenue	1,043,601	1,109,268	1,623,294	1,751,868	On track

ANNUAL MEASURES

MEASURE	**ACTUAL (YTD)**	**SOI TARGET (YTD)**	**TRACKING**
Achieve Carbon Zero accreditation		Achieve	On track
Total waste diverted from landfill		15%	On track
Rail Safety Licence	Maintained	Maintain	On track
Active management of Health and Safety		Maintain	On track
NPS equal to or better than CXI benchmark		Maintain	On track
Google rating		4.2 or higher	On track
TripAdvisor rating		4.2 or higher	On track
Cable Car reliability	99.36	>99%	On track

FINANCIAL PERFORMANCE	**31 Dec 24**	**31 Dec 24**	**31 Dec 24**	**30 Jun 25**
($000)	**YTD Actual**	YTD Budget	*YTD Variance*	Full Year Reforecast
Total Revenue	**1,998,248**	1,893,368	104,880	4,465,072
Total Expenses	**1,687,620**	1,720,599	(32,979)	3,362,421
Surplus (Deficit)	**310,628**	172,769	137,859	1,102,651
FINANCIAL POSITION				
Total Assets	**14,943,581**	14,875,533	68,048	14,734,908
Total Liabilities	**2,219,143**	1,981,752	237,391	2,184,171
Equity	**12,724,438**	12,893,780	(169,342)	12,550,736
CASH FLOWS				
Total Net Cash Flows	**88,488**	172,538	(84,050)	403,609
Opening Cash	**2,180,622**	2,180,622	0	2,180,622
Closing Cash	**2,269,110**	2,353,160	(84,050)	2,584,231

Financial Performance Summary

- Sales revenue is 7% down on budget for the year to date due to passenger numbers being lower than anticipated

- Expenditure is tracking as anticipated for the year to date.
- Net cash flows for the period are positive, stemming from the increased sales expected in the busier summer and cruise season
- LTP Funding of $581k remains at the end of Q2, allocated for bridge strengthening work.
- Term deposits continue to produce a good boost of interest income, however rates are starting to drop considerably in comparison to same time last year.
- Tax losses and subvention payments within the Group have now been confirmed by Council for the FY24 tax year, and will be processed along with the income tax return in Q3.

Coming Up in FY25 Q3

- With the ongoing drop in cruise passenger numbers we are having strategic discussions regarding the next couple of years of expected downturn and how we are going to respond to that ie: new and innovative ways to enhance offerings and how to work even more closely with WellingtonNZ and Tourism NZ.
- To recoup revenue, we will also start on-charging merchant fees for payment by credit card and PayWave as this currently costs WCCL up to $80k per year. Other CCOs have taken this approach and received no pushback from customers as surcharges become the norm.
- Our bridges seismic programme will continue with the RFP work to undertake Geotech Investigations around our piers.
- We will be attending the Victoria University Expo in February to introduce the Cable Car to a new wave of students.
- Children will ride free and other activities will be arranged for International Children's Day on 2nd March.
- Partnering with WellingtonNZ, we will continue to play a key role in the Faultline Ultra Event in April 2025.

Te Nukuao Tūroa o Te Whanganui a Tara Wellington Zoo Trust
Report to the Wellington City Council LTP, Finance & Performance Committee
Second Quarter ending 31 December 2024

Highlights

- Quarter Two Stats: Visitors – 55,032 (YTD figure 102,693 and YTD Target 124,063); and Retail Revenue – $177,521 (YTD figure $336,803 and YTD Target $409,000).
- Te Nukuao Wellington Zoo's te ao Māori strategy, Manawanui, was officially launched on World Animal Day, 4 October 2024.
- Director, Communications, Experience and Conservation was named in the Top 10 of the Top 50 Zoo and Aquarium influencers the 2024 International Blooloop Awards.
- Work incorporating an extended Gibbon Island viewing platform commenced on the Otter habitat renewal in October and which re-opened in December – we have successfully accessed grants totalling $122,768 to contribute to this work to date.
- Te Nukuao Wellington Zoo renewed MoUs with Wellington City Mission, Changemakers Refugee Resettlement Forum and Wētā FX.
- We participated in a successful release of 15 Tuatara from Te Nukuao Wellington Zoo and 45 from elsewhere in New Zealand to Waimārama Brook Sanctuary near Nelson in early November.
- Successfully passed the annual MPI audit with no non-compliance areas again this year.
- Cheyenne Mountain Zoo Chief Executive and the Chief Executive from Cali Zoo, Colombia, and the Host for the 80th WAZA Conference in October 2025, visited in November.
- The Sales and Service Manager negotiated a 15% discount on the wholesale cost of Wild Republic products to be sold in the shop and they had also agreed to donate 50c to Te Kōhanga for every Kea soft toy sold in Australasia.
- Animal news: two Kune Kune pigs arrived with another two due early 2025; Fern and Murray (Kea) returned to their aviary following nine months of hospital treatment for acute aspergillosis, a virus which is usually fatal; the baby Spider Monkey, Aelina, orphaned at six weeks old, was reintroduced to the rest of the troop; and we welcomed the births of Ring-tailed Lemur twins, a Wellington Green Gecko and a Red-rumped Agouti.
- Sumatran Tiger Bashii underwent a procedure mid-December to capture and store his sperm. Genetically, Bashii is the highest-ranking male Sumatran Tiger outside of Indonesia thus this will be of high value to the globally managed programme.
- In November, we hosted the recipients of the 2025/26 Te Nukuao Wellington Zoo Local Conservation Grants and at the time signed a conservation partnership MoU with the Chatham Islands Tāiko Trust.
- We launched new summer promotions to attract revenue: *"Guess Who at the Zoo*" which provides visitors with clues from street posters or our social channels to find the correct animals when visiting; a donation campaign to support the work of Te Kōhanga; and a "two for one" entry deal for those holding tickets for the Lions vs Blackcaps test match.
- Staff attended the launch of a private Member's Bill to ensure cats in Aotearoa were microchipped and a database record held. This proposed legislation supports Te Nukuao Wellington Zoo's "Safe Cat Safe Wildlife" programme.
- We collaborated with tech-based Interface Magazine, the NZ National Aquarium and other New Zealand zoos on a Minecraft design-a-habitat competition to design water-based habitats for animals, using the Five Domains of Animal Welfare as a guide.
- We celebrated Te Kōhanga's 15th year anniversary with "Nestival" activities.
- There was a lot of community and media interest in the Adélie penguin found on Petone beach which was treated in Te Kōhanga before being released several weeks later.
- Once again hosted participants on the annual Mindanao Young Leaders programme[1] from the Philippines with sessions facilitated by the SMT and Conservation Manager.

Challenges/Lowlights

- Continued inclement weather, particularly during December/January school holidays, has affected visitation.
- The economic downturn continued to affect venues bookings, as had less household discretionary spending resulted in less participation in the School Holiday Programme.
- Managing the significant increase in water rates and energy costs.

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[1] For emerging community leaders to develop their knowledge, skills and confidence as leaders to enable them to contribute to the development of the Mindanao community.

Performance Measures (KPIs) in the SOI 2024/25

WCC Performance Measures	Target 2024.25	Q2 Target 31.12.24	Q2 Actual 31.12.24		YTD as at 31.12.2024	
Visitors	267,205	68,744	55,032	🟠	102,693	🟠
Student & Education Visits	21,000	7,595	7,107	🟢	13,404	🟢
Non-Council donations and Funding	$384k			🟢	$253K	🟢
Council Operating Grant per Visitor	$16.32	n/a	$19.99	🟠	$17.93	🟠
Trading Revenue per Visit (ex. Grants & Interest)	$19.14	n/a	$24.29	🟢	$24.69	🟢
Additional WZT Performance Measures	**Target 2024.25**	**YTD as at 31.12.24**				
Measure Visitor Feedback and Satisfaction	80%	92% average July – December 2024				🟢
Number of vulnerable, endangered or critically endangered species (UICN Red List and DOC National List) at the Zoo	25	32				🟢
Percentage of native animals released to the wild after triage and treatment by The Nest Te Kōhanga (TNTK)	50%	59%				🟢
WZT UN SDG targets met	80%	Annual				🟠
Number of field conservation projects supported for vulnerable, endangered or critically endangered species (IUCN Red List and DOC National List) at the Zoo	12	15				🟢
Maintain Zoo and Aquarium Association Animal Welfare Accreditation	Achieved	Achieved				🟢
Maintain net carbonzero certification	Achieved	Achieved				🟢
Implementing *Kanohi Kitea* cultural competency programme	Achieved	Ongoing				🟠
Achieve and maintain Rainbow Tick certification	Achieved	Achieved				🟢
Health, Safety & Wellbeing Committee meeting attendance	80%	96%				🟢
Emergency drill or incident debriefs summary delivered	8	6				🟢
Volunteer engagement survey completed	1	Annual				🟠
Staff recognition initiative complete	1	Achieved				🟢
Staff learning and development initiatives completed	10	16				🟢

🟢 On track or target met　🟠 At risk of not achieving target　🔴 Will not reach target

Coming Up

- Annual Neighbours' Night – 30 January - 20th Anniversary of this event.
- Visit by Tokyo Metropolitan Government members who are undertaking a significant refurbishment of Oshima Park Zoo and want to access Te Nukuao Wellington Zoo's expertise in their approach to environmental sustainability, animal welfare and habitat design – 4 February.
- Hosting and participating in the International Congress of Zookeepers – 10-14 February.
- Valentine's Night – 14 February.

Financial Summary Section

FINANCIAL PERFORMANCE	**31 Dec 24**	31 Dec 24	31 Dec 24
($000)	**Actual**	Budget	*Variance*
Total Operating Revenue	**4,772**	5,098	(326)
Total Operating Expenses	**5,295**	5,309	14
Operating Surplus (Deficit)	**(523)**	(211)	(312)
FINANCIAL POSITION			
Total Assets	**5,485**	6,502	(1,017)
Total Liabilities	**4,078**	5,342	(1,264)
Equity	**1,407**	1,160	247
CASH FLOWS			
Total Net Cash Flows	**(502)**	(213)	(288)
Opening Cash	**2,838**	4,456	(1,618)
Closing Cash	**2,337**	4,243	(1,906)

Financial Performance Summary

Visitor generated revenue has been negatively impacted by multiple factors including economic downturn and poor weather during peak visitation periods. Operating expenditure is largely fixed and therefore is not significantly affected by visitation, sitting slightly behind budget as at 31 December 2024.

Appendix 1 – Financial Statements

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

for the quarter ended 31 December 2024

	Actual 31-Dec-2024 $000	Budget 31-Dec-2024 $000	Actual 30-Jun-2024 $000
REVENUE			
Admissions	1,943	2,223	4,400
Sale of Goods	322	409	814
Wellington City Council Grant	2,181	2,181	4,664
Other Grants, Sponsorships & Donations	245	194	405
Other Corporate Income	40	61	121
Interest Income	41	30	123
Operating Revenue	**4,772**	**5,098**	**10,527**
Other Revenue			
Conservation Fund Income	44	44	134
Capital Grants and Donations	123	-	326
TOTAL REVENUE	**4,939**	**5,142**	**10,987**
EXPENSE			
Cost of Goods Sold	161	196	410
Other Operating Expense	1,204	1,311	2,802
Personnel Expense	3,930	3,802	7,314
Operating Expense	**5,295**	**5,309**	**10,526**
Other Expenditure			
Conservation Fund Expenditure	49	50	100
Animal Acquisitions	17	15	18
Vesting of Capital Grants and Donations	-	-	326
TOTAL EXPENSE	**5,361**	**5,374**	**10,970**
NET SURPLUS/(DEFICIT) for the period	**(422)**	**(232)**	**17**
TOTAL OPERATING SURPLUS/(DEFICIT)	**(523)**	**(211)**	**-**

STATEMENT OF CHANGES IN EQUITY

for the quarter ended 31 December 2024

	Actual 31-Dec-2024 $000	Budget 31-Dec-2024 $000	Actual 30-Jun-2024 $000
Equity Opening Balances			
Accumulated Comprehensive revenue and expense	242	(377)	242
Restricted Funds	1,587	1,538	1,569
Total Equity-Opening Balance	**1,828**	**1,161**	**1,811**
Comprehensive Revenue			
(Deficit)/Surplus for the year to retained earnings	(422)	(232)	17
Total comprehensive revenue	(422)	(232)	17
Equity Closing Balances			
Accumulated Comprehensive revenue and expense	(281)	(342)	242
Restricted Funds	1,688	1,525	1,586
Total Equity-Closing Balance	**1,407**	**1,183**	**1,828**

STATEMENT OF FINANCIAL POSITION

for the quarter ended 31 December 2024

	Actual 31-Dec-2024 $000	Budget 31-Dec-2024 $000	Actual 30-Jun-2024 $000
ASSETS			
Current Assets			
Cash and cash equivalents	2,337	4,243	2,838
Trade and other receivables	2,863	824	683
Inventories	286	180	199
	5,485	**5,247**	**3,720**
Non-Current Assets			
Property, Plant and Equipment	-	-	-
	-	**-**	**-**
TOTAL ASSETS	**5,485**	**5,247**	**3,720**
LIABILITIES			
Current Liabilities			
Trade,other payables and accruals	801	1,167	903
Monies held in trust	9		9
Revenue in Advance	2,688	2,496	497
Employee Benefits	580	400	484
	4,078	**4,063**	**1,893**
TOTAL LIABILITIES	**4,078**	**4,063**	**1,893**
NET ASSETS	**1,407**	**1,184**	**1,827**
EQUITY			
Accumulated Comprehensive revenue and expense	(281)	(366)	242
Restricted Funds	1,688	1,550	1,586
TOTAL EQUITY	**1,407**	**1,184**	**1,827**

STATEMENT OF CASH FLOWS
for the quarter ended 31 December 2024

	Actual 31-Dec-2024 $000	Budget 31-Dec-2024 $000	Actual 30-Jun-2024 $000
Cash flows from operating activities			
Cash was provided from:			
Trading Receipts	4,902	4,947	10,657
Interest Received	41	30	123
Net GST received	347	-	286
Cash was applied to:			
Payments to Suppliers	(2,121)	(1,440)	(6,122)
Payments to Employees	(3,670)	(3,750)	(7,094)
Net GST Paid		-	
Net cash inflow from operating activities	**(501)**	**(213)**	**(2,150)**
Cash flows from investing activities			
Cash was applied to:			
Purchase of property,plant and equipment	-	-	-
Net cash (outflow) from investing activities	**-**	**-**	**-**
Net Increase/(Decrease) in Cash and cash equivalents held	**(501)**	**(213)**	**(2,150)**
Cash and cash equivalents at beginning of year	2,838	4,456	4,989
Cash and cash equivalents at end of year	**2,337**	**4,243**	**2,838**
Made up of:			
Cash and bank balances	2,337	4,243	2,838
Closing Cash Balance	**2,337**	**4,243**	**2,838**

WellingtonNZ

WellingtonNZ (Wellington Regional Economic Development Agency Ltd)

Report to the Wellington City Council LTP, Finance & Performance Committee

Second Quarter ending 31 December 2024

MISSION

Creating a thriving Wellington region for all

MORE Businesses succeeding & employing more people	**MORE** Locals & visitors participating in events & experiences	**MORE** Collaboration & investment across the region
JOBS FOR THE FUTURE	**PLACEMAKING**	**COLLABORATION & ENGAGEMENT**
Support businesses to grow, innovate & meet future workforce needs.	Enhance Wellington's reputation as New Zealand's creative heart	Work in partnership to support investment in the region to unlock opportunities

Highlights

JOBS FOR THE FUTURE – support business to grow, innovate and meet future workforce needs

- The Tech team and Creative HQ facilited a full quarter of vibrant events, including the AI Supercharge Event at Victoria University of Wellington, where 50 participants enhanced their tech business skills; Growth Jam, hosted with Movac at Harbourside, featuring 250 attendees and speakers from Wellington tech firms; the Scale-Up Series an REDP initative, providing exclusive sessions for leaders from 60 high-growth tech companies; the Internationalisation Growth Strategy Workshop, delivered by Kagan Sen (Canva) to help 45 local companies expand globally; and the Product Management Workshop, led by Vidya Dinamani (Product Rebels USA) for 25 mid-level product managers.

- The Scale-Up Hub, Taiawa, at Victoria University now serves as the full-time office for 60 tech sector workers from 15 companies. In December, the team developed an internship program for university graduates to work with companies based at Taiawa over summer. Academics have also been included in the scale-up sessions, allowing them to learn alongside high-growth companies and integrate new insights into their teaching. Collaborative efforts with Infometrics, the University, and WellingtonNZ are underway to measure the hub's impact on workforce and GDP outputs.

- 27 businesses have been co-funded for Business Growth, contributing an estimated $122,454 worth of capability uplift. Exceeding engagement targets, the Regional Business Partner Network (RBPN) has 194 actively engaged businesses year-to-date and is supporting 232 active leads through Callaghan Innovation.

- The City in Transition team completed its busiest training period to date, delivering four capability workshops over six weeks and achieving a satisfaction rating of 9.63/10. Businesses provided positive feedback on how these workshops enhanced their understanding of key business fundamentals, such as interpreting financial statements and running social media campaigns, while also encouraging them to view critical areas of their business from new perspectives. This success has fostered greater openness among local businesses to seek support. Many local businesses are now proactively identifying areas of need, enabling the team to utilise the Regional Business Partners directory to offer tailored one-on-one capability support and connections. Additionally, the team launched the Thorndon Quay edition of Neat Places, targeting Christmas shoppers, with content scheduled to drip-feed over six months. The Te Ngākau Square edition, launched earlier, reached approximately 193,864 people.

- The team celebrated the growth of House of Science in the Wellington region. Contributions directly supported the development of 15 new resource kits, as well as storage, transport, and branch management. House of Science now reaches 165 of 236 primary and intermediate schools in the Wellington-Wairarapa-Horowhenua region, impacting approximately 41,000 students. This includes a growth in schools supported by the Wellington-City branch from 26 to 46.

WellingtonNZ

PLACEMAKING – enhance Wellington's reputation as New Zealand's creative heart

- Notable performance event announcements during the quarter included five Bluey shows at TSB Arena (nearly sold out with almost 8,500 tickets), Highly Suspect, three sold-out Graham Norton shows, Cliff Richard, Mamma Mia, Jack & Michael Whitehall, Paul Smith's Pablo tour, Stephen Fry, the Wellington Jazz Festival, The Play That Goes Wrong, and '80s icon Alison Moyet. These shows have achieved strong sales to date, supported by presale/on-sale EDMs, social media placements, sponsored content, and marketing campaigns via Live in WLG channels.
- Major events included the successful conclusion of the World of Wearable Arts (WOW), which contributed more than $30 million to the economy, with 64% of attendees travelling from out of the region. Additionally, Wellington hosted the strongest cricket content in New Zealand this season. Highlights included the T20 Cricket World Cup-winning White Ferns versus Australia, with the first ODI on 19 December offered free to Wellington audiences. The Blackcaps played England (90%+ sold out), Sri Lanka, and Pakistan at Sky Stadium and the Basin Reserve.
- Wellington hosted the Regional Events Hui, attended by 26 representatives from across the region, and the inaugural Major Events Forum, which welcomed 30 participants representing 11 events and organisations. Key discussions included enhancing Wellington's storytelling through major events, positioning the region as a leader in live experiences, and strategies for managing changes in audience behaviour and contentious crowds.
- The Art of Banksy exhibition, our first using a venue for hire model at Tākina, opened successfully on 28 November and concluded its season with strong sales in the final weeks. Final ticket sales exceeded 47k.
- Business Events Wellington continued to attract conferences to the city, bringing in more business travelers and delegates. Two new campaigns were launched over the quarter targeting international and Australian organisers, focusing on boosting attendance and encouraging delegates to explore Wellington. Conferences significantly contribute to midweek inner-city spending, benefiting local hospitality, accommodation, retail, and other businesses.
- The 2024 Wellington Advent Calendar, designed by local illustrator Bonnie Brown (Studio Bon), concluded successfully. WellingtonNZ partnered with Te Wao Nui Children's Hospital through the Wellington Hospitals Foundation as its 2024 charity. Initial results show over 30,000 user accounts were created, with the local businesses featured expanding by 5 this year. Redemption figures were around 18,000–19,000 vouchers used, with two of the top three redemptions being for WCC CCO's product.
- The cruise season began on 13 October with strong passenger numbers despite a reduced number of ships. To promote Wellington's various precincts, 50,000 maps were distributed directly to cruise passengers and visitors.
- WellingtonNZ partnered with Tourism New Zealand (Australia and UK) to deliver webinar training to over 160 travel agents. Hosting TRENZ 2024 has yielded ongoing results, with four Chinese companies now including Wellington stays in their itineraries.

COLLABORATION AND ENGAGEMENT – work in partnership to support investment in the region to unlock opportunities

- The Wellington iSite Visitor Centre successfully opened at Tākina late November. Wayfinding signage from the former site at MFC is in place and city maps, visitor guides and digital assets have been updated. The move was enabled with MBIE funding support via iSite New Zealand and Wellington City Council.
- An application to the Lotteries Environment & Heritage Fund has been partially successful with $100,000 granted to support the ongoing development of the Wellington Civics Project.
- Two initiatives have been submitted for consideration in the government’s Infrastructure Priorities Programme – with responses not expected until June 2025: The first, PDIHQ, the much-needed facility to provide access to the expertise, support and resources necessary to develop, scale-up and commercialise STEM products, services and processes within our region. Secondly a package of four regional trails: resilience work on the Corner Creek section of the Remutaka Cycle Trail, and development of the Wairarapa Five Towns Trail, Paekākāriki to Pāuatahanui Trail, and a northern off-road commuter network from Wellington city to Porirua.
- The Screen Accelerator program, an REDP initiative, successfully hosted 14 participants, marking a milestone with the inclusion of the first Pasifika and Asian producers in the program's history. Participants came from diverse regions, including 7 from Wellington, 5 from Auckland (3 contracting in Sydney), and 2 from Otago. The program concluded on December 11 with pitches to seven domestic and international buyers, providing an incredible opportunity to showcase Wellington and New Zealand's screen talent. Within 24 hours, six of the ten projects received follow-up interest, including one pitch attracting attention from three production companies and another with interest from two companies, with more interest likely to follow.
- Blackbird’s Sunrise Conference, the leading Australasian VC and start-up event, was hosted by the city. Our team has worked for more than two years to bring this event to Wellington and postive talks continue to retain it as an anchor event.

WellingtonNZ

Challenges – Summary of the key quarter challenges

- Clients impacted by the disestablishment of the Callaghan Innovation program will require support, while navigating uncertainties surrounding this change and the future of the Regional Business Partners Programme under the new Minister's leadership.
- The Summer of Engineering has struggled from a lack of engagement from engineering employers, with 700 candidates and only 4 placements made this summer. Employer demand for the programme is being reevaluated and options will be explored to replace this initiative in the REDP. Summer of Tech is optimisitic that businesses have indicated a greater likelihood to support interns in 2025.
- Homegrown notified the Major Events team at the end of 2024 that they would not be seeking to renew their contract after delivery of the 2025 event. This news was publicly announced on the 20th January generating considerable media interest. We have an active pipeline of opportunity that we are pursuing to ensure Wellington has a strong calender of diverse events.

Coming Up – priority on delivering key programmes in WCC's Economic Wellbeing Plan, Destination Poneke Plans and The Regional Economic Development Plan

- The City in Transition team is producing a full calendar of capability workshops in areas of need through consultations with businesses and service providers. Scheduled for the coming quarter is 'Event Management' and 'Marketing During Business Transition', delivered in conjunction with Synthesis Marketing. The team continues to develop relationships with organisations such as Hospitality NZ, to share industry resources and member benefits with businesses.
- Disney: The Magic of Animation at Takina is set to open on February 20th and has already generated significant interest, evidenced by strong pre-sales driven by an effective Christmas marketing campaign and high-interest subject matter.
- The Major Events team is finalising the remaining partnerships within the Regional Events Fund to ensure full allocation of funds and compliance with all requirements ahead of the fund's closure in September 2025.
- Working with potential promoters on a replacement for Homegrown and other festival and music opportunities for Wellington.
- Finalisation with WCC on our Venues Operational Strategy.
- Finalising and launching theatre tours of the Opera House and St James, with an aim of increasing visitor numbers to these iconic venues and visitation to the area.
- The cruise season continues to show resilience, despite a reduction in the number of ships. The commissioning of a comprehensive cruise strategy is commencing and alongside the refresh of the Destination Pōneke Destination Management Plan (DMP) to strengthen future opportunities.
- Welly TechStride is a pilot program supported by the RED Team and Summer of Tech to address the regional shortage of intermediate software developers. The program focuses on developing graduate talent by providing workplace experience and enhancing technical and soft skills through Talent Solutions.
- Putting together the proposal to bid for the Regional Business Partners contract as our contract ends on 30th June 2025.

	Key Performance Indicator	2024/25 Full Year Target	2024/25 Actual YTD
⊕	Direct economic impact of WellingtonNZ's activities and interventions	$200 Million	**$95.7 Million**
⊕	Number of businesses engaged by a WellingtonNZ intervention or programme	2,500 Businesses	**933 Businesses**
⊕	Equivalent Advertising Value (EAV) from media activity	$20 Million	**$14.6 Million**
⊕	Value of expenditure generated from events	$120 Million	**$56.6* Million**
⊕	The number of Wellington Region residents that attend events	625,000 Residents	**335,140 Residents**
	Stakeholder engagement	90%	**Reported annually**
⊕	Number of Māori Businesses and Projects supported across WellingtonNZ	75	**34**
	Māori Business support satisfaction	90%	**Reported annually**
⊕	Number of different Pasifika Businesses and Projects supported across WellingtonNZ	15	**2**
	Pasifika Business support satisfaction	90%	**Reported annually**
⊕	Financial Management	To Budget	**To Budget**
⊕	Funding Diversification	30% Non-Council	**30.1%**
	Employee Engagement	78% Engagement	**Reported annually**

Some results have been deemed 'on track' due to the cadence of reporting where some measures within a KPI are reported annually.

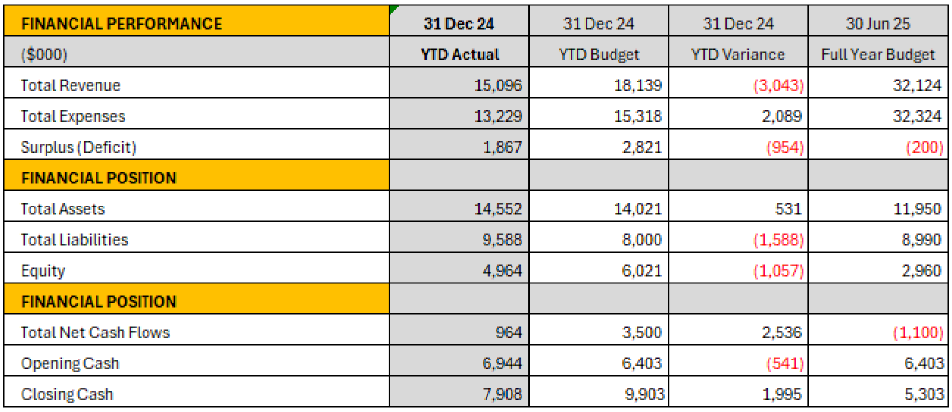
*Major Events results for Dr Who exhibition 2024, Blackcaps v England Test 2024, White Ferns v Australia x3 matches 2024 have been estimated due to the timing of release of the post event economic reports. These results are subject to revision in the Q3 report.

WellingtonNZ

Indirect Measures	Q2 Result	Previous Quarter	Same Quarter Previous Year
Regional Business Counts*	**60,066**	∨ -0.9%	∨ -1.4%
Hospitality Spend in the CBD*	**$131.7M**	∧ 5.5%	∧ 6.4%
Regional Filled Jobs*	**258,442**	∧ 0.4%	∨ -2.2%
Lower North Island Business Confidence	**-13**	∧ 24 BP	∨ 12 BP
International Visitor Arrivals to WIA*	**42,108**	∧ 36.9%	∨ -13.9%
Australian Visitor Arrivals to WIA*	**30,822**	∧ 35.2%	∨ -10.9%
Domestic Visitor Card Spend In RTO*	**$270M**	∧ 25%	∧ 14.9%
International Visitor Card Spend In RTO*	**$87M**	∧ 61.1%	∧ 17.6%
Total RTO Visitor Nights	**741,300**	∧ 25.8%	∧ 5.2%
Hotel Occupancy	**69%**	∧ 13.5%	∧ 3.1%

***Due to timing of data releases these measures may have been extrapolated or averaged across the quarter and are subject to revision**

Q2 2024/25 Financial Summary



FINANCIAL PERFORMANCE	**31 Dec 24**	31 Dec 24	31 Dec 24	30 Jun 25
($000)	**YTD Actual**	YTD Budget	YTD Variance	Full Year Budget
Total Revenue	15,096	18,139	(3,043)	32,124
Total Expenses	13,229	15,318	2,089	32,324
Surplus (Deficit)	1,867	2,821	(954)	(200)
FINANCIAL POSITION				
Total Assets	14,552	14,021	531	11,950
Total Liabilities	9,588	8,000	(1,588)	8,990
Equity	4,964	6,021	(1,057)	2,960
FINANCIAL POSITION				
Total Net Cash Flows	964	3,500	2,536	(1,100)
Opening Cash	6,944	6,403	(541)	6,403
Closing Cash	7,908	9,903	1,995	5,303

- Revenue is under budget due to the Destination Wellington funding (from WCC) having not yet been invoiced and the timing of Major Event expenditure.
- Expenses are under budget due to the timing of major events sponsorship and timing of marketing campaigns that are funded from the WCC core funding.
- Total liabilities are higher due to the holding of income in advance. These funds are released to match expenditure when it is incurred.
- **We consider our current variance to bottom line budget to be timing only and do not currently anticipate any issues with meeting our financial budget.**

sky STADIUM

Strategic Plan

2025 – 2029

He kupu takamua

E whakahīhī ana mātou ki te whakaatu i te Mahere Rautaki 2025 – 2029 a Te Whare Tapere o Tūārangi.

Ko tā mātou pae tawhiti ko te kīia ai o mātou ko te papa pai katoa e arohatia ana i Aotearoa – e whakangako nei i te oranga o te tangata ki ngā wheako whakaharahara e kore rā e warewaretia. Ka whakanuia e te Taiwhanga tōna huringa tau e 25 hei te tau 2025, ā, he hītoria whakahirahira tō mātou mō te whakarite i ngā wheako hākinakina, whakangahau hoki e whakahirahira ana – e whakatū nei i ngā taiopenga nui whakaharahara mō ngā tāngata o Te Whanganui a Tara me āna manuhiri. I ngā tau e rima e tū mai nei, ka aro mātou ki te whakawhānui i ēnei ekenga e pai ai te rere o ngā mahi mō ngā tau e 25 e tū mai nei.

Kua whakatakotoria ngā whāinga a Wellington Regional Stadium Trust ki te Puka Whakaū Tarati, ā, ahakoa ka whai tonu mātou ki te whakatutuki i aua whāinga rā, ka whakatakotoria e tā mātou rautaki hou te ahunga me ngā take mātāmua mō ngā tau e rima e tū mai nei. He māia, he whai take hoki ō mātou hiahia i ngā tau e rima e tū mai nei, ā, kua āta whakaritea e mātou tā mātou ahunga.

- Ka whakahaeretia, ka kōkiritia hoki e mātou tētahi taiwhanga kairangi ake nei e kauawhi ana, e haumaru ana, e tomopai ana, e tuku hoki ana i ngā wheako mutunga mai o te mīharo mō te katoa.
- Ka mahi tahi mātou ki ngā hoa pātui ki te whakatītina i ngā pātuitanga e puta ai ngā hua ki te whakahaere, ki ō mātou hoa pātui me te hapori whānui.
- Ka matapoporetia mātou, ka kīia hoki mātou he taonga whakaharahara mō te rohe i te whakamanea me te whakahaeretia o ētahi taiopenga autaia e tuku nei i ngā hua ā-ōhanga, ā-pāpori ki te hapori, ā, ka whakaaturia a Te Whanganui a Tara hei wāhi e kōingotia ana.

Ko te tūāpapa o ngā whāinga o te rautaki nei, me ā mātou mahi katoa, ko tō mātou tīma houhare e nui nei te koroua. E whakapono ana mātou ki ō mātou tāngata, me ō rātou āheitanga e noho ai ko mātou hei kaiwhakarato matua i ngā wheako e kore e warewaretia i Aotearoa nei, e whai hononga hoki ana ki ō mātou hapori

E ngākau nui ana mātou ki whai i te pae tawhiti kia tata, i te pūtake me te ahunga tawhiti kua whakatakorotia ki tēnei mahere, e rite tonu ai te wheakotia o ngā taiopenga whakaharahara e ngā manuhiri i tō mātou papa, e whai hua ai tō mātou rohe me ōna tāngata.

Foreword

We are proud to present Sky Stadium's Strategic Plan 2025–2029.

Our vision is to be New Zealand's most loved venue – enriching lives through exceptional experiences that create lifelong memories.

The Stadium celebrates our 25th anniversary in 2025, and we have a proud history of successfully delivering iconic sport and entertainment experiences – hosting major events for Wellingtonians and visitors to our region. Our focus over the next five years is to build on this success to ensure that we are positioned to deliver for at least the next 25 years.

The objectives of the Wellington Regional Stadium Trust are set out in the founding Trust Deed and whilst we will continue to deliver to those objectives, our new strategy sets our direction and our priorities over the next five years. Our aspirations over this five-year horizon are bold and purposeful, and we have set our direction with confidence.

- We will manage and advance a best-in-class stadium that is inclusive, safe, accessible, and provides outstanding shared experiences for all.
- We will work closely with all partners to foster positive partnerships that deliver outcomes for our organisation, our partners, and the wider community.
- Through the attraction and delivery of great events and experiences we are valued as an important asset for the region that delivers both economic and social benefits to the community and will showcase Wellington as a desirable destination.

Underpinning the objectives of this strategy, and everything we do, is our high performing, high energy team. We are confident in our people and believe in their capability to position us as New Zealand's leading provider of unforgettable experiences that connect our communities.

We look forward to delivering on the vision, purpose and long-term direction outlined in this plan to ensure that all Wellingtonians, and visitors, will continue to experience memorable events at our stadium, benefitting our region and its people.

Our **Vision**

New Zealand's most loved venue

Enriching lives through exceptional experiences that create lifelong memories.

Our **Purpose**

Providing unforgettable experiences that connect our communities.

Our **Values**

Manaaki is offered and received

Manaaki embodies behaviour that shows respect, generosity, and care for others. Manaaki inspires us to demonstrate generosity, fairness, appreciation, respect, and consideration for others. **We rise by lifting others.**

We work as a team

Our accomplishments are the result of collaborative effort, made possible by developing and maintaining strong relationships. **We are here for each other.**

We act with integrity

Integrity is about doing the right thing. We align our commitment and behaviours with strong principles in a consistent and uplifting way. **We walk the talk.**

We are passionate

Our passion challenges us to be bold, imaginative, and rigorous in our work. Our passion drives the pursuit of excellence in all our activities, demanding an innovative, adaptable, and solution-oriented approach to all we do. **We're here for the long game.**

Our **Strategic Pillars**

- Exceptional customer experiences
- A stadium for now and the future
- Commercial & financial sustainability
- Strong partnerships & stakeholder relationships


AU·NZ·2023™
FIFA WOMEN'S WORLD CUP™
Aisle 16

Exceptional customer experiences

We will grow and evolve to stay ahead of our customers' needs, and to inspire, delight and create memorable moments.

We will achieve this by

- Being a leader in our industry in creating and enhancing experiences.
- Maintaining and developing our venue and assets with the customer at the centre of our thinking.
- Delivering positive venue experiences that create lasting memories – working with our partners to create and deliver an exceptional experience not just an event.
- Better utilising our hospitality spaces and creating both hospitality and membership offerings that are attractive to targeted audiences.
- Delivering enhanced activation and placemaking in and around our stadium spaces.
- Undertaking regular benchmarking of customer experience.

Our success measures

- Customer/patron experience rating & feedback
- Partner experience rating & feedback
- Patron numbers
- Increased spend per patron.

A stadium for now and the future

We recognise that we need high quality and contemporary facilities to deliver the best experience possible to our partners and customers, both now and into the future as requirements evolve.

We will achieve this by

- Ensuring that ongoing asset renewal and asset upgrade programmes include a focus on enhancing the customer experience and commercial outcomes, along with resilience of the asset.
- Taking a short, medium, and long term view, to create plans that will ensure we continue to develop the Stadium to attract event content and deliver outcomes to the community.
- Developing and progressing a master plan to guide the long-term investment in and development of our venue to ensure that our venue is accessible, safe, and secure and delivers an outstanding experience.
- Completing a comprehensive review of the IT infrastructure and systems in use at the Stadium, and target improvements to our systems and management.
- Further developing our environmental sustainability, including investigating harvesting rainwater, installing solar panels and better monitoring of resource use.

Our success measures

- Asset management plan is updated to reflect our priorities
- Master plan for the long-term development is completed
- Environmental efficiency rating
- Customer/patron experience rating & feedback
- Partner experience rating & feedback.

Commercial & financial sustainability

$

We will need to continue to grow both our event day and non-event day revenues to ensure both commercial and financial sustainability. We will be both creative and innovative to attract high quality events and grow commercial revenue across all areas of our organisation.

We will achieve this by

- Implementing a fit for purpose business model to ensure we continue to be fiscally responsible and optimise our commercial opportunities.
- Implementing growth plans for content, including working closely with partners to attract new event opportunities, optimise event content and enhance event day revenue.
- Actively seeking new opportunities to grow non-event day revenues, including diversifying our revenue streams, and increasing the utilisation of our assets.
- Developing and adopting nontraditional uses of our spaces to seek improved commercial outcomes.
- Increasing per patron spend across all events through enhanced customer service and improved technology.

Our success measures

- Increase in event and non-event day revenue
- Increase in operating surplus
- Increased spend per patron
- Event content.

Strong partnerships & stakeholder relationships

To be successful and deliver outcomes for our partners, stakeholders, and the community we will develop and grow our relationships. We want to be positioned in the community as a willing contributor, and an important part of the Wellington region, and to work as a true partner with our clients.

We will achieve this by

- Working in different ways with our event partners to drive the best outcomes possible for our organisation and our partners.
- Continuing to develop and deepen our industry relationships so that we continue to attract and host major events.
- Integrating into the city and region on a daily basis, not just around major event days.
- Developing a community engagement programme to encourage greater use of the stadium spaces by a variety of our community.
- Telling the Sky Stadium story and celebrate the successes, reinforcing the Stadium as both a strategic asset for the region and a valued part of the community.

Our success measures

- Partner feedback rating
- Stakeholder feedback rating
- Establish a sentiment / public perception measure
- Increase in brand value – Social media reach and engagement / online media mentions / website traffic
- Increased community use of our facilities.

Our success is enabled by

These enablers will contribute to the operating effectiveness of our organisation and the ability to execute and to successfully deliver to the objectives of our strategic plan.

High performing, high energy team

Invest in our people, with an enhanced focus on career and development.

Technology and data

Enhanced focus on technology and utilisation of data to drive our business forward and deliver to our customers.

Enhanced sustainability

Sky Stadium has a commitment to environmental sustainability.

Safe and secure venue and workplace

Sky Stadium will remain dedicated to protecting the health, safety and wellbeing of patrons, staff and stakeholders by maintaining a safe and secure environment, providing an end to end experience.

sky STADIUM

skystadium.co.nz
04 473 3881
105 Waterloo Quay, Wellington 6011
PO Box 2080, Wellington 6140

Wellington Regional Stadium Trust
Key Performance Indicators

FINANCIAL	***Actual***			***Budget***				
	1st half 31-Dec-24 $000	*2nd half 30-Jun-25 $000*	*Total YTD $000*	*1st half 31-Dec-24 $000*	*2nd half 30-Jun-25 $000*	*Annual Budget $000*	*YTD Variance 31-Dec-24 $000*	*%*
Event revenue	2,849		2,849	3,273	3,431	6,704	(424)	(13%)
Total income	6,672		6,672	6,996	7,247	14,243	(324)	(5%)
Total surplus (deficit)	1,834		1,834	1,112	(1,606)	(494)	722	(65%)
Net cashflow movement	2,076		2,076	(7,286)	715	(6,571)	9,362	(128%)
Net debt	(6,495)		(6,495)	4,908	9,978		11,403	232%
Liquidity Ratio (Current Assets to Current Liabilities)	3.09		3.09	0.69	0.62			
Debt to Total Assets	4.60%		4.60%	4.77%	10.07%			
Stadium Enhancements (Capex)	1,573		1,573	9,002	6,318	15,320	(7,429)	(83%)

Wellington Regional Stadium Trust
Key Performance Indicators

EVENTS	*1st half*	*2nd half*	*Total*	*1st half*	*2nd half*	*Total*	*YTD Variance*	
	Actual	*Actual*	*Actual*	*Budget*	*Budget*	*Budget*		
	31-Dec-24	*30-Jun-25*	*YTD*	*31-Dec-24*	*30-Jun-25*		*31-Dec-24*	
Events held during period								
Rugby	7		7	4	6	10		
Cricket	0		0	0	1	1		
Football	4		4	5	7	12		
Other Sport	0		0	0	1	1		
Concerts/Other events	0		0	2	1	3		
Exhibition Days	8		8	8	9	17		
Total events	19	0	19	19	25	44	0	0%
Community events (days)	1		1	2	3	5		
Total events (days)	20	0	20	21	28	49	(1)	(5%)
Total numbers attending	135,949		135,949					

Wellington Regional Stadium Trust
Statement of Financial Performance
For the Six Months Ending 31 December 2024

	Actual YTD $000s	***Budget YTD $000s***	***Variance $000s***	***Annual Budget $000s***	***31-Dec-23 Actual 6 months***
Operating Revenue					
Event Revenues	2,849	3,273	(424)	6,704	7,420
License Fees & Sponsorship	2,050	2,022	28	4,162	1,991
Sundry income	1,773	1,701	72	3,377	1,352
Total Revenue	**6,672**	**6,996**	**(324)**	**14,243**	**10,763**
Operating Expenses					
Event	1,274	1,401	127	3,154	3,469
Other operating expenses	3,797	4,870	1,073	9,750	3,743
Interest	114	115	1	448	114
Total Operating Expenses	5,185	6,386	1,201	13,352	7,326
Operating Surplus / (Loss) before Depreciation	**1,487**	**610**	877	**891**	**3,437**
Depreciation	1,983	1,828	(155)	3,715	1,939
Net Operating Surplus/(Loss)	(496)	(1,218)	722	(2,824)	1,498
Plus:					
Funding for capital expenditure programme					
Confirmed grants	2,330	2,330	0	2,330	0
Total Surplus (Loss)	**1,834**	**1,112**	**722**	**(494)**	**1,498**

Wellington Regional Stadium Trust ***Statement of Financial Position*** ***As at 31 December 2024***	31-Dec-24 $000's	30-Jun-24 $000's
Trust Funds		
Accumulated Surplus	54,880	53,046
Limited Recourse Loans		
Wellington Regional Council	25,000	25,000
Wellington City Council	15,000	15,000
Wellington City Council - Accrued Interest	395	395
Total Trust Funds & Limited Recourse Loans	95,275	93,441
Non Current Liablities		
Term Loans - Councils	4,200	4,200
Term Loans - Bank	500	500
Leases	108	113
Revenue in Advance	-	47
Total Non Current Liablilites	4,808	4,860
Current Liablities		
Payables & Accruals	1,965	2,024
Revenue in Advance	2,489	1,820
Total Current Liabilities	4,454	3,844
Total Funding	104,537	102,145
Represented by:		
Non Current Assets		
Fixed Assets	90,773	91,190
Total Non Current Assets	90,773	91,190
Current Assets		
Cash	11,303	9,227
Receivables & Prepayments	2,461	1,728
Total Current Assets	13,764	10,955
Total Assets	104,537	102,145

Wellington Regional Stadium Trust ***Statement of Cash Flows*** ***For the six months ended 31 December 2024***	6 mths 31-Dec-24 $000's	6 mths 31-Dec-23 $000's
Operating activities		
Cash was provided from:		
Event and operating income	2,821	7,473
License fees and sponsorships	2,071	2,006
Grant income	2,330	0
Interest income	141	65
Sundry income	1,536	1,132
	8,899	10,676
Cash was applied to:		
Payments to suppliers and employees	(4,870)	(7,508)
Interest paid	(113)	(114)
Goods and services tax (net)	(336)	(20)
	(5,319)	(7,642)
Net cash inflow from operating activities	3,580	3,034
Investing activities		
Cash was applied to:		
Purchase of fixed assets	(1,499)	(1,000)
Net cash outflow from investing activities	(1,499)	(1,000)
Financing activities		
Cash was applied to:		
Finance lease repayments	(5)	0
Net cash flow from financing activities	(5)	0
Net increase (decrease) in cash held	2,076	2,034
Cash at beginning of the period	9,227	3,766
Cash at the end of the period	11,303	5,800

Wellington Regional Stadium Trust
Half yearly report to Settlors
For six months ending 31 December 2024

The Trustees present this report of operations for the six months ending 31 December 2024.

As outlined in the Statement of Intent, to meet its obligations under its Trust Deed the Trust pursues the key objectives of:

- Presenting a full and balanced event calendar;
- Maintaining and enhancing the facility;
- Achieving a level of profitability that finances continuing capital expenditure and meets debt repayment obligations.

These objectives remain current. However as noted in our Statement of Intent, the Trust is no longer able to meet the financial autonomy objective, in particular with regards to capital investment to maintain and renew the Stadium as a viable asset. The level of investment required in the Stadium, so it operates to best practice standards as an operationally efficient and safe venue that delivers a good experience for patrons and hirers, is beyond the means of the Trust alone.

Specific Expectations of both GWRC and WCC were set out in the Letter of Expectations issued by each Council in December 2023 and incorporated into the Trust's 2024-2025 Statement of Intent.

Activity in these areas for the six-month period is reported on below.

A summary of performance measures (both financial and non-financial) is included at the end of this report.

STRATEGIC PLAN 2025 – 2029

During the period, the Trust completed work on our new Strategic Plan 2025 – 2029, which is included as an appendix to this report.

Our vision is to be New Zealand's most loved venue – enriching lives through exceptional experiences that create lifelong memories.

The Stadium celebrates our 25th anniversary in 2025, and we have a proud history of successfully delivering iconic sport and entertainment experiences – hosting major events for Wellingtonians and visitors to our region. Our focus over the next five years is to build on this success to ensure that we are positioned to deliver for at least the next 25 years.

The objectives of the Wellington Regional Stadium Trust are set out in the founding Trust Deed and whilst we will continue to deliver to those objectives, our new strategy sets our direction and our priorities over the next five years. Our aspirations over this five-year horizon are bold and purposeful, and we have set our direction with confidence.

- We will manage and advance a best-in-class stadium that is inclusive, safe, accessible, and provides outstanding shared experiences for all.
- We will work closely with all partners to foster positive partnerships that deliver outcomes for our organisation, our partners, and the wider community.
- Through the attraction and delivery of great events and experiences, we are valued as an important asset for the region that delivers both economic and social benefits to the community and showcases Wellington as a desirable destination.

We look forward to delivering on the vision, purpose and long-term direction outlined in our plan to ensure that all Wellingtonians, and visitors, will continue to experience memorable events at our stadium, benefitting our region and its people.

SPECIFIC EXPECTATIONS OF THE COUNCILS FOR THE TRUST

The Trust will work with both settlor councils on its asset management plan and commercial strategy, including how to best sequence and fund the necessary work through the 2024-34 LTP.

With our new strategic plan in place, the Trust will complete a full review of our asset management plan, aligning this to the strategic plan. Whilst work on this was not started in the reporting period, we expect to complete this before the end of the current financial year.

Concurrently we will also be completing a comprehensive review of the IT infrastructure and systems in use at the Stadium, and target improvements to our systems and management.

Commercial & financial sustainability is one of the four key pillars of our new strategic plan. The trust will look to grow both our event day and non-event day revenues and will be both creative and innovative to attract high quality events and grow commercial revenue across all areas of our organisation. This will include working closely with partners to attract new event opportunities, optimise event content, enhance event day revenue, and increase per patron spend.

The settlor councils are looking to the Trust to lead the work on the medium to longer-term future for the Trust, in terms of asset management, future planning and investments, a more sustainable funding model, and potential longer term stadium options. The Trust will consult with settlor councils on the outcome of this work well in advance of the 2027-37 LTP.

The Trust recognises that we need high quality and contemporary facilities to deliver the best experience possible to our partners, customers and to the region, both now and into the future as requirements evolve.

We have highlighted in our strategic plan the development and progression of a master plan to guide the long term investment and development of the venue. Whilst work has not started on this, we look forward to collaborating with the settlor councils on the development of this master plan, and the planning and investment that will be required ahead of the 2027-37 LTP process.

The Trust will finalise the design, budget and programme for the seismic strengthening works planned for the stadium that will be partially funded by both settlor councils through the 2024-34 LTP.

Following an RFP process, the Trust has appointed Naylor Love as the principal contractor for this work. Preparatory works have commenced, and the substantive works will start in second half of FY25. The project is scheduled to run for 27 months and works will be able to be accommodated around events.

During the period, the Trust entered into funding agreements with both settlor councils, with the funding to be utilised by the Trust to complete the seismic resilience project and other asset renewal works, in line with the allocated funding in both council’s Long Term Plan 2024 – 34. The Trust would like to acknowledge the ongoing support of both GWRC and WCC.

The Stadium will continue to deliver a strong programme of major events that return economic benefit to the city and region. Particularly, in consideration of the short-term economic climate where large Stadium events will greatly benefit local businesses.

During the period, the Stadium hosted 19 event days with 135,949 patrons attending events. This compares to 27 event days, and 260,132 attendees for the six months to 31 December 2023. The prior period was higher due to the hosting of the FIFA Women’s World Cup 2023 matches.

The events that attracted the largest attendances during this period were the two All Blacks test matches (against Argentina and Australia) and the inaugural derby match between the Wellington Phoenix and Auckland FC. The Phoenix have played four matches of their 2024-25 season at the Stadium during the period.

The Wellington Lions, who were successful in winning the NPC title for 2024 played two round robin games, as well as hosting a quarter final, semi-final match and the final.

It was also a busy period for exhibitions, with Beervana, the Home & Garden Show and the Food Show all taking place. For 2024, the Food Show had moved from its usual May date due to venue availability requirements of the A League Finals series.

Event	*Month*	*Attendance*
Rugby		
All Blacks v Argentina	August	24,921
All Blacks v Australia	September	31,001
NPC Rugby:		
2 x round robin games	August to October	3,734
Quarter, Semi-final, and Final	October	11,556
Football		
A-League – Phoenix:		
4 x Regular season games	October to December	40,561
Exhibitions		
Beervana	August	24,166
The Food Show	August/September	
Home & Garden Show	September	

In December we hosted a Christmas at the Stadium event. This event was an initiative aimed at bringing joy and holiday spirit to families in the Wellington region who may not have the opportunity to enjoy a traditional Christmas celebration. It was attended by around 300 and supported by the Stadium Trust, Go Media, our caterer Delaware North and other partners.

We also continue to make the facility available as a training site for a variety of groups such as the emergency services.

The outlook for future event bookings is strong. During the period it was announced that we had secured two All Black tests for 2025, and the Trust is currently pursuing further opportunities for events not yet announced for later in 2025 and 2026.

The Trust will continue to contribute to the region meeting its carbon neutrality goals.

We have continued to improve our waste management systems and processes to ensure we divert stadium waste from going to landfill. We have implemented two new waste management initiatives which demonstrates our ongoing commitment.

We have trialled the use of reusable cups from Fillgood as a replacement for single use wine cups. Fillgood is a Wellington based reusable service-ware organisation that the Trust has played a key role in establishing, including providing space at the Stadium for their cleaning facility. Should the trial be successful we will look to continue the roll out of reusable cups across the venue, with the long-term goal of removing single use cups from our service.

We are also working with Kai Ika and the Cans for Kai initiative. All recyclable cans used at events are sorted on site and collected. Cans for Kai recycle the cans at a local metal recycler and use the funds from this to produce meals for those in need in our local community.

Over this period, we have diverted 80% of event generated waste from landfill. 63% was recycled and 17% was composted at Capital Compost. A standout event was the All Blacks v Australia test match in September 2024 where we diverted 91% of the event waste from landfill. On a smaller scale, at the Phoenix v Sydney event on 15 January 2025, after all waste sorting was completed, the event produced only 200 litres (one bag) of landfill from an event with over 4000 patrons, meaning 97% of waste from that event was diverted from landfill.

Work on reducing electricity use continues with the project to replace lighting around the facility with LED fittings. A contractor has been appointed, with the bulk of the work is expected to be conducted in the next six months. This work is being funded by the GWRC Low Carbon Acceleration Fund.

The Trust will continue to work with GWRC over opportunities to improve connectivity with the public transport network, as well as GWRC's efforts to strengthen the public transport network for events at the Stadium

The location of the Stadium and the connectivity with the train and bus networks does mean that we enjoy a high level of use of the public transport system for events we host. The Trust enjoys strong relationships with Transdev and Metlink, with both being supportive in the delivery of major events at the Stadium.

For each of the All Black tests, free event public transport for ticket holders was implemented through the support of WellingtonNZ. Whilst this is considered a positive initiative, there is work to do to in the implementation and the measurement of the impact that this has on travel behaviours.

FINANCIAL PERFORMANCE

The financial result for the six months to 31 December 2024 is a net surplus of $1.8m compared to a budgeted surplus of $1.1m.

The operating surplus (before depreciation) was $1.5m compared to a budgeted surplus of $0.6m.

The net operating cash inflow was $3.6m, compared to an inflow of $3.0m in the 6 months to 31 December 2023.

Event income was below budget by $0.4m, event expenses was below budget by $0.1m, for a net negative variance of $0.3m. While most events have performed at or ahead of budget, we had budgeted for some events to occur in the six months that have not eventuated.

Other operating expenditure is $1.1m less than budgeted. Approximately 70% of this variance is in the facilities maintenance area, and much of it will be timing differences.

Capital expenditure during the period was $1.6m compared to a budget of $9.0m. Much of the budget relates to the seismic resilience improvements with substantive works starting in the next six months. The replacement of the two replay screens was also completed during the period.

OTHER MATTERS

Trustees & Staffing

John Howarth was appointed to the Board from 1 October 2024, and Phillippa Harford and Tracey Bridges were reappointed for further terms. Steve Tew has resigned from the Board, and we are working with the settlors to appoint a new Trustee.

There have been no other changes in the senior management team during the period.

CONCLUSION

It was a positive six months for the Trust and the Stadium. We have contributed to the vibrancy of the Wellington region by hosting a variety of events as well as continuing to make progress with some major projects.

We look forward to continuing to bring a range of events for those living in and visiting the Wellington region to enjoy.

Rachel Taulelei
Chair
5 February 2025

Non-Financial Performance Measures

Measure	How Measured	Progress for six months to 31 Dec 2024
• Deliver a full event calendar	• Securing 45-50 event days per year covering both sporting and non-sporting events aiming to appeal to a wide range of interests	• 19 event days held in the six months to 31 December covering rugby, football and three different exhibitions.
• Deliver more large-scale non-sporting events	• Secure at least two concerts in 2024-25 • 40% out of region visitors	• No concerts secured for the 2024-25 year.
• Continued investment in stadium infrastructure	• Seismic resilience works to commence and progress from 2024/5 through 2026/7 Replacement of replay screens completed Q2 2024/5	• Contractor for seismic resilience project appointed and preliminary works have commenced. • Both replay screens replaced.
• Host unique events that deliver economic benefit to the region	• Maintaining economic benefit to the region at an average of $40 million per year	• Wide variety of events hosted in period. Economic benefit is calculated as annual measure
• Sustainability	• Continue to reduce waste via compost, recycle, reduce, reuse • Energy reduction through transition to LED lighting with support from GWRC Low Carbon Acceleration Fund • Scope other projects contained in Lumen’s Energy Transition Plan towards decarbonisation of the facility	• 80% of event waste diverted from landfill in period • Lighting transition project has commenced. • To be considered once LED project underway

• Mana whenua	• Develop an engagement plan with mana whenua. Measures will be developed as part of this process.	• WCC's CCO Tūpiki Ora Action Plan underway
• Health And Safety Reported Injury rates	• Trust worker reported injury rate of two or less per year • Contractor worker Lost Time Injury rate of two or less in a year • Hirer (And Hirer Contractor) Worker Lost Time Injury rate of 2 or less in a year • A reported patron injury rate of less than 0.01% of the total number of patrons attending the venue (events and functions)	• Achieved – zero • Achieved –zero • Achieved – zero • Achieved <0.001%
Contractors and hirers	• 100% of contractors working at the Stadium have 'approved' status before any work is commenced, and upon each annual review • An agreed H&S plan is in place with 100% of Stadium hirers prior to any work on site commencing.	• Achieved – 100% • Achieved – 100%

2024-34 LTP AMENDMENT AND 2025/26 ANNUAL PLAN CONSULTATION DOCUMENT

Kōrero taunaki | Summary of considerations

Purpose

1. The Kōrau Tōtōpū | Long-term Plan, Finance, and Performance (LTPFP) Committee has agreed to bring the 2025 LTP Amendment, the 2025/26 Annual Plan and Local Water Done Well (Water Reform) into one Consultation Document (CD) and process because of their close synergies.
2. The purpose of this report is for the Committee to agree the following:
   a. Approve CD content and supporting LTP information such as the Infrastructure Strategy and Financial Strategy etc, for audit by Audit NZ as it relates to the 2025 Long-term Plan (LTP) Amendment,
   b. Approve CD content as it relates to the 2025/26 Annual Plan; and
   c. Any outstanding matters requiring a committee decision outlined in this paper.
3. This report does not cover Local Water Done Well (Water Reform) as this aspect does not require Audit NZ audit ahead of consultation and therefore this matter will be considered by the Committee on 18 March.

Attachments

4. As part of making an amendment to an LTP, we are required to produce a CD and show the impact of the amendment on the adopted LTP. Both the CD and the supporting information is audited by Audit NZ. As a consequence, there are a large number of Attachments to this report.
5. The following Attachments are appended to this report:

LTP Amendment documents for approval by the Committee for audit*:*

- Attachment 1: Draft Consultation Document (this includes an overview of capital programme changes as an appendix)
- Attachment 2: Amended Financial Strategy
- Attachment 3: Amended Infrastructure Strategy
- Attachment 4: Amended Prospective Financial Statements
- Attachment 5: Amended Funding Impact Statements
- Attachment 6: Amended Significant Forecasting Assumptions
- Attachment 7: Amended Volume 1 of the 2024-34 LTP
- Attachment 8: Amended Volume 2 of the 2024-34 LTP (Statements of Service Provision)

LTP Amendment documents for the Committee's information

- Attachment 9: Advice on potential sale of carbon credits

2025/26 Annual Plan documents for approval by the Committee for consultation

- Attachment 10: Annual Plan Prospective Financial Statements
- Attachment 11: Annual Plan Funding Impact Statements
- Attachment 12: Proposed changes to user fees and charges

2025/26 Annual Plan documents for the Committee's information

- Attachment 13: Advice on options for the partial sale of Council's art collection

Consultation documents for the Committee's approval

- Attachment 14: Consultation communications and engagement overview

Crown Observer advice

6. Following advice received from the Crown Observer, officers recommend that the attached consultation document and supporting information be recommended to the Council for approval, prior to being submitted for audit.
7. The basis for this recommendation is the Crown Observer's advice recommending that the Council approves the consultation document, that this is consistent with the approach that was taken in the previous triennium, and that its purpose is to confirm the Council's ownership of the document.

Strategic alignment

8. The 2024-34 LTP includes a wide range of investments to achieve the outcomes and priorities set by the Council in consultation with the community.
9. The draft CD to amend the 2024-34 LTP outlines the proposed changes and preferred options that were agreed by LTPFP Committee on 17 December 2024. These changes may impact the timing to achieve the LTP outcomes and priorities.
10. An Annual Plan builds on the LTP by outlining the specific actions and budgets for a single year to achieve the community's outcomes and priorities. It highlights key initiatives, allocates resources, and sets measurable targets to address community needs. The Annual Plan ensures accountability by tracking progress and keeping the community's aspirations central to decision-making.

Relevant previous decisions

11. At the 10 October 2024 Te Kaunihera o Pōneke | Council meeting it was agreed to:
    - Commence a process to amend the 2024-34 LTP with Council's objective being 'No Sale' of any of its shareholding in Wellington International Airport Limited.
12. At the 29 October 2024 Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee meeting, the Committee:
    - Noted that the Council's water services delivery options and the impact of reduced NZTA funding will also be included in the 2025/26 Annual Plan / LTP amendment process.

- Agreed that officers reinitiate work on a ‘disaster resilience fund’ and this work runs alongside the LTP amendment process, noting the purpose of the fund is to provide a form of self-insurance in the event of a disaster.
- Agreed that a form of ‘disaster resilience fund’ is included in the LTP amendment as part of the options for consultation for amending the financial strategy.
- Agreed that a key consideration of a ‘disaster resilience fund’ should be to minimise overheads and management costs.

13. At the 26 November 2024 Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee meeting it was agreed that elements of a prudent financial strategy to be included in this LTP amendment include:
    - reduce the debt to revenue ratio of 225% to allow debt capacity of $1b (up to Council’s debt to revenue covenant) within the LTP. This capacity is reserved for any and all unexpected events including underinsurance risk;
    - remove the allocation of insurance headroom within the debt to revenue ratio;
    - maintain the limit on rates increases at 5-8% on average over the 10- year period; and
    - note the Council still has the airport on its balance sheet and would retain the option to sell some or all of its shares as further proceeds toward disaster recovery in a major event.
14. At the 17 December 2024 Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee meeting it was agreed or noted that:
    - The options for addressing the Council’s two main financial issues would make explicit reference to the sale, partial sale or full sale of the Council’s WIAL shares;
    - All options for addressing the Council’s two main financial issues would assume the sale of a small set of ground leases; and
    - Officers would initiate negotiations to sell nine ground leases to provide initial capitalisation of a disaster resilience fund; and
    - The Committee would 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; and
    - Officers would commence negotiation on these sites in the new year and expect to bring a recommendation to Council to execute the sales in March 2025.
    - Officers would 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.

Significance

15. The decision is **rated high significance** in accordance with schedule 1 of the Council’s Significance and Engagement Policy.

Financial considerations

☐ Nil	☒ Budgetary provision in Annual Plan /	☐ Unbudgeted $X

	Long-term Plan	

16. The financial considerations are included in the body of the report for the draft amended LTP budget and the draft 2025/26 Annual Plan budget

Risk

☐ Low	☐ Medium	☒ High	☐ Extreme

17. All risks are outlined in the body of the paper.

Authors	Matthew Deng, Senior Advisor Kirralee Mahoney, Principal Advisor Financial Planning Baz Kaufman, Manager Strategy and Research Lloyd Jowsey, Team Leader, Planning and Reporting Raina Kereama, Manager Financial Planning and Policy
Authoriser	Andrea Reeves, Chief Strategy and Finance Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion:

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

1. **Receive** the information.

LTP Amendment

2. **Agree** the three options to create debt headroom and establish a Disaster Resilience Fund as outlined in the body of the report and included in the draft CD appended as Attachment 1.
3. **Agree** to consult on the options for Begonia House, the Karori Events Centre and Paneke Pōneke bike network programme as outlined in the body of the report and included in the draft CD appended as Attachment 1.
4. **Agree** to update the financial strategy to reduce the debt to revenue ratio limit from debt capacity of $1b, to a limit of 200% as outlined in the body of the report.

2025/26 Annual Plan

5. **Note that** additional funding was requested by Wellington Water Ltd for 2025/26 (and out-years) and that officer advice will be provided ahead of the committee meeting on 13 February.
6. **Agree** additional funding of $8m for WCC's share of entity establishment costs for 2025/26 (this includes internal costs) and, that this be debt funded as outlined in the in the body of the report.
7. **Agree** that cost increases of $16.5m that relate to increased internal rates of water utilities be debt funded as these properties will be transferred to the new Water Services Entity as outlined in the body of the report.
8. **Agree** not to fund additional depreciation cost of $9.8m relating to water assets on the basis that these assets will transfer to the new Water Services Entity, and the

replacement of the asset at the end of its useful life will not be funded by Wellington City Council as outlined in the body of the report.

9. **Agree** to provision $11.1m for edge protection of the Waterfront in 2025/26, with a business case to be provided to elected members for consideration and approval prior to the edge protection works being undertaken.
10. **Note** that the above recommendations result in a rates increase for 2025/26 of 12.2% (after growth, including sludge levy).
11. **Note** that the budget currently reflects a rates increase of 13.8% (after growth, including sludge levy) as options for funding cost pressures have not been included.
12. **Note** that the budget will need to be updated to reflect decisions made about cost pressures and how they are funded.
13. **Agree** to include Mātai Moana Reserve options in the CD for community feedback with the preferred option being joint management with iwi as outlined in the body of the report and the draft CD (Attachment 1).
14. **Agree** to include the updated Rating Policy regarding Short-Term Accommodation providers as outlined in the body of the report and the draft CD (Attachment 1).
15. **Agree** 2025/26 proposed Fees and User charges as outlined in the body of the report and the draft CD (Attachment 1).

Report back to committee

16. **Note** that the committee requested further advice and information on:
    - *Council art collection* – note officers' feedback, outlined in the body of the report (and Attachment 13), on the future of the Wellington City Council's (WCC) art collection. This includes options for partial sale of the collection as well as options for providing greater public access, as requested by the Committee at its 17 December 2024 meeting.
    - *Fully funding operating costs* – note officers' advice, outlined in the body of the report) on the impact and options for fully funding operating costs.
17. **Agree** that a formal policy be developed on Carbon Credits to inform future decisions on divestment of Carbon Credits as outlined in the body of the report ('*Discussion* section this report as well as Attachment 9).

Water reform

18. **Note** that consultation collateral on water reform options agreed by LTPFP Committee on 11 December 2024 is being prepared and will be included in the CD ahead of formal consultation starting.
19. **Note** that the Local Water Done Well reform consultation options will not be audited which is in line with the provisions of the Local Government Act (Water Services Preliminary Arrangements) 2024.
20. **Note** that the LTP Amendment budget has been updated to reflect the preferred water reform option so that the financial impact of the preferred option over the remaining years of the LTP is visible.

Revaluation and General Rates Differential

21. **Note** the impact of the 2024-25 City-wide revaluation on property values.
22. **Note** that we will maintain our current general rates differentials.

Consultation Document, supporting information and consultation process

23. **Note** that the draft CD (Attachment 1) and supporting information has been prepared based on decisions agreed at the 26 November and 17 December 2024 LTPFP Committee meetings.

24. **Note** that public consultation is scheduled for 20 March to 20 April 2025 and the Special Consultative Procedure prescribed under the LGA 2002 is required to be used.

25. **Agree** the approach to community consultation and communications programme as outlined in Attachment 14.

26. **Approve** the draft Consultation Document for audit attached as Attachment 1 including:
    - 2024-34 LTP Amendment
    - 2025/26 Annual Plan

27. **Note** the supporting information for audit, with consequential LTP Amendment tracked changes, included in Attachments 2 – 8.

28. **Agree** that, on the advice of the Crown Observer, the Council approves the attached consultation document and supporting information prior to it being audited.

Audit and next steps

29. **Note** that Audit NZ will audit the draft Consultation Document and supporting information (LTP Amendment elements only), and this may result in further changes. Any changes from Audit NZ will be reported to LTPFP Committee on 18 March 2025 when the final Consultation Document and supporting information will be approved for consultation.

30. **Agree** to delegate the Chair and Deputy Chair of Long-term Plan, Finance, and Performance Committee, and the Chief Executive to make minor editorial changes and updates to the CD and supporting information to reflect committee decision-making and as part of finalising the material for Audit NZ review.

Whakarāpopoto | Executive Summary

18. The Council has been developing the LTP Amendment following the Notice of Motion (NoM) vote on starting the process to remove the sale of Wellington International Airport Limited (WIAL) shares from the 2024-34 LTP. We have also been concurrently developing the 2025/26 Annual Plan and budget.

19. Since the decisions of the 17 December 2024 LTPFP Committee meeting where options for consultation were confirmed, we have been developing the CD, in preparation for audit and consultation with community.

20. The draft CD outlines options to address the Council's two main financial issues: under-insurance and lack of investment diversification. The audit of the CD also includes a review of the amended supporting information included in Attachments 2-8.

21. This paper also outlines the fiscal changes and variances in the 2025/26 Annual Plan compared to the published 2024-34 LTP. It includes issues agreed by the LTPFP

Committee on 17 December 2024 for public consultation, with details outlined in *'Discussion'* section of the report.

22. Additionally, there are a small number of other Annual Plan matters which are recommended for consultation that require a committee decision. These are:

    - Mātai Moana Reserve – management options
    - Short term accommodation providers – new rules
    - Proposed changes to user fees and charges (Attachment 12).

23. This paper does not address the Local Water Done Well reform (water reform) consultation, as the information is still being developed with other councils from the wider Wellington region. The final water reform consultation information will be provided to the Committee alongside the audited LTP Amendment and the 2025/26 Annual Plan for its 18 March meeting. Officers will engage with the LTPFP Committee on water reform in the lead up to the 18 March meeting.

24. Following independent legal advice, and in agreement with Audit NZ, the water reform consultation is being undertaken alongside the LTP Amendment consultation but does not require an audit opinion.

Takenga mai | Background

LTP amendment

25. At the 10 October 2024 LTPFP Committee meeting, a NoM was agreed to commence the process to remove the sale of WIAL shares from the 2024-34 LTP. To offset the removal of the sale of the shares, an amendment to the LTP is required.
26. The LTP amendment needs to address these two identified risks to the Council's balance sheet**:**
    - *Under-insurance:* The Council's insurance coverage is insufficient to respond to future financial and natural hazard risks.
    - *Lack of diversification:* Approximately 93% of the Council's investment portfolio held in airport shares and ground leases. This creates significant exposure to the same kinds of risks.
27. The proposed options developed focus on increasing debt headroom (borrowing capacity) as the key lever to address the Council's financial risks. This is addressed by reducing the capital programme outlined in the 2024-34 LTP, as it is primarily funded through borrowing. The changes also mean amending various parts of the adopted LTP.
28. Decisions from the 27 November 2024 LTPFP Committee regarding to capital programme have been incorporated into the debt headroom and forecasted capex for years 2 to 10 of the 2024-34 LTP.
29. Alongside the process of addressing the Council's two main financial risks, work continues the insurance roadmap via Audit and Risk Committee. Information about the insurance roadmap was provided to the LTPFP Committee on 17 December 2024.

Disaster resilience fund

30. At its 29 October 2024 meeting, the LTPFP Committee agreed to reinitiate work on a disaster resilience fund, which had ceased following the NoM. The three options for the LTP amendment include an investment fund of differing sizes.
31. At its 17 December 2024 meeting, the LTPFP Committee agreed for officers to initiate negotiations to sell nine ground leases to provide initial capitalisation of a disaster resilience fund. Officers will provide further details about the sale of the ground leases in the coming months, as and when they occur.

Annual Plan process

32. Under section 95 of the LGA, the Council must prepare and adopt an Annual Plan for each financial year, except in years when the LTP is adopted.
33. The purpose of the Annual Plan is to set the annual budget, including the rates for the year. It also identifies any significant changes from the current financial statements and funding impact statements in the current LTP.
34. As per previous advice to the LTPFP Committee, the LTP amendment options are proposing significant changes to the capex programme for 2025/26 and beyond. These changes have been reflected in the draft 2025/26 Annual Plan budget.

Water Reform

35. While Water Reform consultation documents are still being finalised, the LTP amendment and Annual Plan budgets, financial statements and other underlying documents have been updated to reflect the financial impacts of Water Reform. This includes the transfer of water related assets, revenue and expenditure to the new Water Services Entity from 1 July 2026.
36. The Annual Plan budget has also been updated to include both internal and the Council's share of the establishment costs for the new Water Services Entity. The *'Options'* section of the report includes recommendations for how these costs can be funded.

Kōrerorero | Discussion

LTP amendment – Consultation Document and supporting information

37. The draft CD (Attachment 1) outlines the options agreed by committee in December and includes a description of the LTP amendment, the reasons for the proposed amendment, and the implications (including financial implications) of the proposed amendment.
38. The draft CD and supporting information are subject to audit and some edits may be required from Audit NZ before committee adopts the final CD and supporting information for consultation on 18 March.

LTP amendment – Disaster Resilience Fund

39. As agreed by the LTPFP Committee on 17 December 2024, officers propose to establish a Disaster Resilience Fund within each of the options for addressing the Council's financial risks. At that meeting, the LTPFP Committee agreed that officers should commence the sale of nine ground leases that are recommended to capitalise the fund.
40. These ground leases would be the primary source of capitalisation for the fund and give the fund a starting balance of approximately $60m-$70m. If the Council proceeded with a medium or large fund following consultation, the sale of the ground leases would still be part of the capitalisation of the fund in line with the proposed options.
41. Officers expect a final decision to sell will be brought to the Council in March 2025. This decision would also seek the Council's explicit agreement that the proceeds of sale would not be directed towards debt repayment, as typically required by the Council's liability management policy, but would be used to capitalise the disaster fund.
42. The proposed Annual Plan and LTP amendment budgets for consultation reflect the preferred option for the LTP amendment. This includes the sale of the ground leases for $68.1m, with the sales expected to occur during the 2025/26 year.
43. The Council was briefed on 3 December 2024 on key design issues and choices for the fund but does not need to make decisions on the fund's design for the LTP amendment consultation. These decisions can be made after consultation, when the Council has determined its preferred option on fund and headroom size – because fund size is a key driver of many of the relevant design decisions.

LTP amendment – Budget

Debt

44. The budget has been updated to reflect the decisions made on 26 November including the resulting impact on the Council's borrowings. The budget has also been updated to

recognise the transfer of water related assets, revenue and expenditure to the new water services entity from 1 July 2026.

45. Council had set a headroom before consideration of water reform of $1b. This equated to a debt to revenue ratio of approximately 200% (based on Council's forecast revenues). In accounting for the water reform and removing a significant portion of Council's asset base, this has a significant effect on Council's financials. Given this change, it is recommended that the Council updates its borrowing limits at a debt to revenue limit of 200% rather than a fixed amount. Alternatively, Council could set a new fixed amount that is cognisant of removing the water assets from the Council's balance sheet.

46. Below is the updated debt/revenue ratio based on the budget. Based on this, and a debt to revenue limit of 200%, the Council will operate under this limit by year seven (2030/31).

Debt/Revenue ratio

Year	2024-34 LTP	Amendment
2025/26	221%	223%
2026/27	213%	206%
2027/28	216%	211%
2028/29	216%	207%
2029/30	214%	203%
2030/31	211%	199%
2031/32	210%	192%
2032/33	200%	186%
2033/34	190%	175%

47. The main driver for the debt/revenue ratio being higher in the first few years is due to the reduced revenue from NZTA.

48. We have done further modelling on our underinsurance gap following the transfer of water assets, revenue and expenses to the new water services entity. The range from most likely to worst case scenario is now $1.7b to $2.2b. This also reflects the removal of the insurance headroom previously held of $272m.

Capex reductions and NLTP revenue loss

49. At its meeting on 27 November 2024, the LTPFP Committee agreed to changes to the capital programme and therefore to the capex budget. This included changes to budgets relating to the planned capital programme originally set to commence in 2025/26.

50. These changes have been developed concurrently with the Annual Plan. The agreed changes are reflected in the LTP Amendment budget and will be available during consultation for community feedback.

Water reform in LTP budget

51. The Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee decided its preferred option for water reform on 11 December 2024. The development of the CD for water reform is underway in conjunction with the other Councils that are involved.

52. The LTP amendment budgets, Prospective Financial Statements, and Funding Impact Statements have been prepared to reflect the impact of water reform. This has been based on several key assumptions which are documented in the Significant Forecasting Assumptions. The Office of the Auditor-General have agreed that adjustments made in these documents to reflect water reform will not be subject to an audit.

LTP amendment – Capital Programme update

53. The following programmes are recommended to be consulted on with options after a legal review into the significance of the changes being proposed.

Begonia House

54. The Begonia House is in poor condition, with most elements requiring substantial repair. At the 25 November meeting, the LTPFP Committee confirmed the option to be included in the budget for consultation was to demolish the Begonia House as part of the LTP amended capital programme.

55. The condition of the Begonia House increases the health and safety risks for staff and visitors while on-site. After every significant weather event, staff assess the Begonia House to ensure it is safe. Contractors also continue to assess and tend to glass repairs on a semi-regular basis; this is generally every two to three months.

56. Slipping or dislodging of glass has also required closure of parts of the Begonia House for repairs. In 2024, closures ranged from several days to several weeks in duration.

57. The LTPFC Committee also requested 'Options for remediation of the Begonia House' be brought to this meeting for consideration.

58. These are detailed in the CD, (see Attachment 1), and the '*Options'* section of this paper. Officers are recommending two remediation options be included for consultation with the community.

Karori Event Centre

59. On 26 November 2024, the Committee approved for consultation stopping work on the Karori Event Centre project and removing the fit-out funding from the budget as part of the proposed capital programme changes.

60. The Committee directed officers to provide advice on reallocating the community's donated funding to another suitable facility or project in Karori. If a final decision is made through the LTP amendment to remove funding for the Karori Event Centre project, this advice will be provided after adoption of the amended LTP.

61. The future of the building itself remains undecided. Advice has been prepared and options for the building are included in the *'Options'* section of this report. Officers are recommending selling the site and this and the other options for the building are being recommended to be included for consultation with the community.

Paneke Pōneke Bike Network programme changes

62. On 26 November 2024, the Committee agreed to include changing the delivery timeframe for the Paneke Pōneke Bike Network Plan from 10 years to a 20-year delivery timeframe as part of the proposed changes to the capital programme.

63. These were recommended in response to the capital review needed for the LTP amendment and the lost National Land Transport Plan revenue.

64. As this is a material change from the current policy and the 2021-31 LTP cycleways decision, advice has been prepared on proposed options for consultation. These are outlined in the '*Options*' section of this report. Officers are recommending these be included for consultation with the community.

LTP amendment – Advice on Carbon credits sale

65. Officers were directed to report back to the committee on the use of carbon credit sales to part fund the Resilience Fund.

66. Carbon credits are accounted for both financially and environmentally. This means that decisions about their use or disposal need to account for the impact in both of those areas.

67. Currently carbon credits are used by Council in two ways:

68. Credits are bought at the cheapest price possible (in advance) to fulfil our surrender obligations under the Emissions Trading Scheme (ETS) for the landfill. Council currently has ~240,000 NZUs held for this purpose. Credits are also granted to us by the Crown for our forestry and need to be returned to the Crown if the forest is harmed in a natural disaster or harvested/cut-down. Council currently holds ~330,000 NZUs related to our forestry holdings.

69. The current market price of a carbon credit is about $63. This price is expected to increase due to central government policy settings. In the second Emissions Reduction Plan the government has emphasised the importance of the ETS as the primary mechanism for meeting our national carbon reduction targets. In addition, on 20 August 2024, the government announced updated ETS auction settings, reducing the number of units available at auction between 2025 and 2029, decreasing from 45 million to 21 million, which is expected to drive up the carbon price.

70. Attachment 9 outlines the financial and environmental impacts of selling portions of our carbon credit holdings.

71. As at 30 June 2024 the Council held 564,083 NZUs, recorded in our financial statements at purchase price ($14.8m). The current approximate market value of this asset is $35.5m.

72. For our landfill related carbon credits, officers have identified that Council could sell up to 150,000 of the carbon credits held for this purpose.

73. However, the Council has a notional hedging strategy where we buy carbon credits in advance (similar to our approach to derivatives for interest rate risk and FX exposures) to manage our input costs for landfill gate pricing. Given that carbon credit prices are forecast to continue to increase, any change to this approach would decrease the funding available to deliver waste-related levels of service.

74. For our forestry related carbon credits, officers have looked at the impacts of selling 50% of the carbon credits held for this purpose. These credits provide us with proof of the carbon benefits of the Council's forestry regeneration investments, however they also create a financial and environmental contingent liability.

75. For example, sale of these units would require additional insurance for our forestry if there was an event where we needed to return credits to the Crown. We have also reported the environmental benefit of these carbon credits in our city inventory reports.

76. Due to the complexity of these factors, officers recommend that a formal policy be developed and approved by the Environment and Infrastructure Committee to inform any future decision making including whether or not to divest any of the units.

Annual Plan Budget

77. The 2025/26 Annual Plan is year two of the current 2024-34 LTP. The Annual Plan budget reflects the impacts of the LTP amendment, along with any other variations which have occurred such as increases in depreciation and other cost pressures.

Rates

78. On 17 December 2024, the LTPFP Committee considered the updated rates proposals that had been adjusted in line with the final Local Government Cost Adjustors and inflation rates for 2025/26.

79. The LTPFP Committee directed officers to provide more detail on the budget including mitigations with the aim of achieving a rates rise below 12.8% (including the sludge levy) for the 2025/26 year.

80. Work to mitigate previously identified cost pressures has resulted in a proposed baseline rates increase of 12.2% (including the sludge levy) for 2025/26.

Additional Cost Pressure and decisions

81. Notwithstanding the new draft rates increase starting position outlined above, additional new cost pressures have emerged since December that could not be mitigated and require a committee decision.

82. The underlying information and budget has made an assumption of the inclusion of some of these new cost pressures but not how they are funded. Therefore, the underlying information includes a proposed rates increase of 13.8% (after growth, including sludge levy).

83. Following recommendations for the inclusion of cost pressures and funding, the updated proposed rates increase for 2025/26 is 12.2% (after growth, including sludge levy).

84. The additional cost pressures are as below, and more detail is provided in the next section of the paper.

    - Wellington Water Ltd increased investment request for the 2025/26 year
    - Waterfront Edge Protection Capital Costs and Operational Costs
    - Water reform implementation and transition costs
    - Increased Rates on WCC owned properties

Wellington Water Ltd increased investment request for the 2025/26 year

85. Wellington Water have provided advice on additional funding required:

    - an increase in operational funding up to $66m for 2025/26 (an approximate increase of $5m).
    - an increase is capital expenditure funding up to $85m for 2025/26 (an approximate increase of $25m).

86. The additional funding request from WWL was received late and WCC staff are currently reviewing the request but are not in a position to provide written advice in this paper. Verbal advice will be provided ahead or at the 13 February Committee meeting.

Funding additional Wellington Water Ltd funding

87. Any additional funding approved is proposed to be funded by debt and if this accepted there will be no further impact to the proposed rates increase of 12.2%

Waterfront edge protection

88. Over recent years a number of fatalities and safety incidents have occurred on Wellington's waterfront which has prompted consideration into the lighting and edge protection in place and how these ensure the Waterfront is a safe and vibrant environment for all.

89. Council has a range of legal obligations that apply to this public space. These include obligations under Work Health and Safety legislation, the Crimes Act, Occupiers Liability Act and common law. The extent to which these obligations apply will depend on the context and particular circumstances of each case. There are also complexities with how any particular improvements relate to the Building Code that need to be considered on a case by case basis.

90. In August 2024, an inquest was held into a death on the waterfront that occurred in July 2021. The inquest focussed on Council's approach to managing public safety on the waterfront. The Coroner has not yet delivered her findings. However, based on the Issues for Inquest, it is anticipated that the Coroner will make findings regarding the adequacy and appropriateness of the safety measures in place on the waterfront.

91. Officers have commenced a programme of work (Waterfront Safety Enhancement Program) to consider the waterfront safety issues and prepare business cases for recommendation and decision.

92. The 2024-34 LTP allocated an initial $7m for work on waterfront safety enhancements, including edge protection and spine lighting. The full $7m will be used for the lighting upgrades which will provide for all wharf edges to be lit by March 2025 to meet 2020 lighting standards.

93. A draft Waterfront Edge Protection business case was undertaken by Rationale in December 2024 with the recommended preferred option resulting in capital expenditure of $20.9m over the next three years. It is likely to also result in annual operational costs of $0.2m which can be absorbed within the budget. The business case is currently being reviewed and finalized and will be brought to Council for consideration after the outcome of the coronial inquest has been released. Further advice on Council's legal obligations will be provided at this time.

94. In the interim it is recommended that a funding provision is included for Year 2 (2025/2026) of $11.1m to ensure that the Waterfront Safety Enhancement Program continues and that the edge protection works can be progressed, if Council chooses to do so. Officers would recommend that priority be given to the highest risk areas being the Taranaki / Te Papa, Queens Wharf, and Kumutoto precincts.

Funding of Local Water Done well (Water Reform) implementation costs

95. The metro councils are consulting the community on establishing a joint water organisation as their preferred option. To be able to meet draft legislation timeframes, establishment activities for a new delivery model (joint or go alone) need to commence in 2025 and needs to be budgeted for. Establishment activities include the:

- Creation of foundation documents e.g. Constitution;
- Interim CE and Board recruitment and staffing;
- Securing office premises; and
- Implementation of critical IT infrastructure.

96. The current estimate to establish a joint water organisation is $15m, with these costs split proportionally across each of the relevant Councils, Council's share of these costs will be 42.3% or $6.35m.

97. We understand from conversations with other Councils involved in the proposed jointly owned water organisation that they are likely to classify these as operating costs, but with them being debt funded.

98. These costs are in addition to the Council's internal transition costs, which are estimated to be up to $1.6m.

Funding options for transition costs

99. These establishment costs will be passed on to the new water services entity as part of the opening debt transfer and are therefore proposed to be debt funded in 2025/26.

Increased internal rates on WCC owned properties

100. WCC is the largest ratepayer in the city, paying rates for all rateable properties including utilities, such as our water infrastructure. The LTP included a budgeted rates increased on all WCC owned properties of $3.7m based on the WCC and Greater Wellington Regional Council forecast rates increases.

101. In contrast to all other properties – which had Capital Value (CV) decreases, utilities had significant increases in capital values as a result of the revaluation. This increase in CV for water related utilities has driven a significant increase in internal rates, beyond what was included in the 2024-34 LTP.

102. The initially budgeted increase has been sufficient to mitigate the increase in rates for non-water utilities assets. However, there is a resulting cost pressure due to the rating valuations for water related properties for both Council's and Great Wellington Regional Councils of $16.5m.

Funding options for internal rates

103. Officers recommend that the increases relating to water utilities assets be debt funded on the basis that these assets will be transferred to the new water services entity.

104. Rates funding the total $16.5m cost pressure would result in an additional 2025/26 rates increase of 2.93%.

Update on asset revaluations impacting 2025/26 depreciation

105. Separately to CV revaluation processes, Wellington City Council assets are routinely subject to revaluations. This routine revaluation process resulted in a significant increase in some Water assets, namely pump stations and reservoirs.

106. The increase in asset values of $303m resulted in increased depreciation of $9.8m in 2025/26.

107. This increase is similar in nature to the 2022 increase in water asset valuations and depreciation. Since 2022, this increased depreciation has not been fully funded on the basis that these assets will transfer to the new Water Services Entity, and the replacement of the asset at the end of its useful life will not be funded by Wellington City Council.

108. On this basis, Officers recommend not funding the increased depreciation of $9.8m in 2025/26. A decision to fully fund this depreciation would result in an additional rates increase of 1.8%.

Annual Plan – additional consultation items

109. The 2025/26 Annual Plan is being developed concurrently with the 2025 LTP amendment and there are a small number of matters that officers are recommending be included in the CD for community feedback. They are:

    - Mātai Moana Reserve
    - Short term accommodation

110. Proposed changes to user fees and charges

Mātai Moana Reserve (Miramar Peninsula)

111. Mātai Moana, located near the entrance of Te Whanganui-a-Tara (Wellington Harbour), spans 74 hectares at the northern end of Te Motu Kairangi (Miramar Peninsula, also known as Watts Peninsula). It holds historical, cultural, and ecological significance for the Wellington region.

112. It is currently owned by the Crown and they are proposing to vest it as a reserve. The establishment of a reserve at Mātai Moana has not been consulted on with the community previously, although the intention for it to be a reserve is longstanding. Establishing the reserve would create a significant additional reserve space for Wellington. Therefore, officers consider that community consultation is appropriate.

113. The options for the management of the reserve are detailed in the '*Options'* section of this paper, and in the '*What is the plan for the year?*' section of the draft CD – Attachment 1. In summary they are:

- Option 1: Taranaki Whānui and WCC joint management (proposed)
- Option 2: No joint management agreement

114. The reserve would have further consultation on a management plan under the Reserves Act at a later date.

Update to the Rating Policy regarding Short-Term Accommodation providers

115. The short-stay accommodation sector, operating mainly through platforms like Airbnb and Bookabach, boosts capacity to accommodate major events in Wellington. Most providers pay residential rates, even though some should pay commercial rates. The current system for reporting this isn't working well.

116. As advised to the LTPFP Committee on 17 December 2024, officers have drafted a revised rating policy to address the issue, which will be consulted.

117. The proposed changes include:

Clearer Guidelines: Commercial rates will apply to any rating unit used for providing short-term accommodation. Short term accommodation is defined as the renting or availability to rent of entire houses or units:

- for periods of less than one month; and
- where that house or unit is or has been available to rent for more than 60 days of the financial year.

Active Monitoring: Identify and encourage providers to be compliant with the rating policy through methods such as setting up an online register, cross-referencing online booking sites, working with body corporates, and information provided by ratepayers.

118. We plan for possible identification and implementation costs of $0.1m. These costs will be recovered from applying the revised rating policies for short term accommodation providers and will not increase rates for other ratepayers.

119. The changes to the short-term accommodation provider policy are set to be implemented for the 2026/27 rating year.

120. We are seeking funding approval from the Committee for this to be consulted on with the community.

Annual Plan – 2024 Rating revaluation

121. A rating valuation is a three-yearly assessment of a property's value in relation to current market values, commonly called ‘revaluation’. We use independent valuers, Quotable Value (QV), to assess the value of all properties as of 1 September 2024. These updated values will be used to calculate rates starting from 1 July 2025.

122. The 2024-25 City-wide revaluation sees large decreases in City-wide property values. Overall, the capital values of the city decreased by 21.7%, with the largest decreases recorded for residential properties (-24.9%), followed by commercial properties (-21.0%). More moderate decreases were recorded for rural and lifestyle properties (-11.2%) as well as other industrial properties (12.2%). In contrast to all other categories, utilities saw a substantial increase in capital value (+58.8%).

123. A detailed briefing on the revaluation outcome and impact was provided to Councillors on 4 and 5 February. Valuation results will be released to property owners and ratepayers in early February 2024.

Revaluation and Rates impact

124. The current revaluation resulted in an overall, city-wide, decrease in value for all properties. Some properties will have values that decrease more than the city average, and some will have values that decrease less than the city average.

125. Therefore, while the rates increase is forecast to be an average of 12.2%, ratepayers whose properties have decreased in value less than the city average will have higher percentage rates increase. Equally, ratepayers whose properties have decreased by more than the city average will see lower percentage rates increase. The exact rates change for each ratepayer will vary depending on their individual circumstances.

Revaluation and General Rates Differential

126. General rates are calculated using a differential rating system that is based on land use. Currently, the general rates differential applied to commercial rating units is 3.70, while vacant properties and derelict buildings are rated at 5.00 the general rate. We do not propose any adjustments to this differential.

127. The general rates differential is applied on the capital value of properties. Therefore, changes in CV's arising due to a revaluation will impact both the relative rates payable by each property as well as the total rates contribution of each sector.

128. While the 2024-25 city wide revaluation saw decreases overall in Capital Values, our own utilities had significant increases in capital value. As a result, WCC council rates doubled and created a cost pressure (see above).

129. As our own utilities are rated commercially, and attract a larger share of rates, the commercial sector contribution increases from currently 44% to 48%. This increase in commercial sector contribution, however, does not mean that other commercial businesses will pay more, as it's driven by our own properties paying more.

Annual Plan – Fees and user charges

130. Officers have reviewed potential fee and user charge changes. The majority of the proposed changes are due to inflation. This is to ensure that the revenue from user fees and charges increases in line with budgeted operating costs of activities, and with Revenue and Finance policy settings.

131. New fees or fees increases above inflation to reflect market changes will be consulted with through the CD.

132. The full list of proposed changes is included as Attachment 12.

Annual Plan – other matters

133. Long-term Plan, Finance, and Performance Committee requested further information on a small number of matters late last year. The information requested is reported back in this paper and the details are covered below.

Report back on impact and options for fully funding operating costs

134. The Financial Strategy allows for operating costs to be debt funded in order to fund the impacts on ratepayers' intergenerational equity, or to fund expenditure over the period in which benefits are received, such as weathertightness payments. Any borrowings associated with these expenses are repaid over time.

135. The following amounts are currently expected to be debt funded over the remainer of the 2024-34 LTP based on decision made by the LTPFP Committee for the 2024-34 Annual Plan:

Item ($m)	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	3032/33	2033/34
Stadium Grant	2.9	2.9	3.1	0.3	1.5	1.5	1.5	1.5	1.5
Environmental & Accessibility Fund	1.5	0.56	1.0						

Cable Car	0.8	0.3	3.0	2.5					
Te Ngākau Demolition Costs	16.3	19.1							
Total	21.6	22.9	7.1	2.8	1.5	1.5	1.5	1.5	1.5

136. The rationale for debt funding the Stadium Grant and Cable Car is that these grants are to fund Council Control Organisation Capital expenditure which, had this been incurred directly by Council, would be debt funded.

137. The rationale for debt funding the Environmental & Accessibility Fund is the long-term benefits of the fund.

138. A decision not to debt fund these amounts would result in these being rates funded. The impact in 2025/26 would be an additional rates increase of 3.8%.

139. Additionally, we are proposing to debt fund the following amounts as part of the 2025/26 Annual Plan and 2024-34 LTP amendment:

Details	2025/26 cost ($000)	% rates increase
Rates on WCC owned properties – impact of property revaluations on water properties	$16,500	2.9%
Wellington Water increase funding request	$TBC	TBC%
Water reform entity establishment costs	$7,950	1.4%

Report back on Arts collection

140. On 17 December 2024, the LTPFP Committee requested 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.’

141. The City Art Collection, valued at $7.45 million (insurance) and $5.45 million (market), consists of 588 significant Wellington-centric artworks, primarily framed paintings, prints, and photographs, along with three large-scale site-specific installations.

142. As of January 2025, 23% of the collection is publicly displayed in Council-owned buildings or through external loans, with an additional 32% in staff spaces – above the 5-10% typical for public collections. The full collection is viewable online, and display opportunities will increase with the reopening of Te Ngākau. Further options include bi-annual exhibitions, expanded Council venue displays, guided tours, and partnerships with public institutions.

143. Attachment 13 outlines potential sale options, with 251 artworks eligible for sale, as they were directly purchased by the Council. The remaining works are either site-specific or gifted, with legal and ethical considerations limiting their sale. Standard practice requires offering gifted works back to donors and reinvesting any sale revenue into the arts sector.

144. Most eligible works (225 of 251) have a market value under $5,000. Of the ten highest-value pieces, only three were directly purchased, including a portrait of Te Puni and a work by Shane Cotton, both of high cultural significance, and a Don Binney painting being considered for the Town Hall rehang. Independent expert advice is recommended before proceeding with any sales.

Kōwhiringa | Options

LTP amendment – Options for Consultation

145. There are three options included in the CD, reflecting the decisions made by the Committee on 25 November and 17 December.

146. Under all three options, the Council is proposing a combination of debt headroom and an investment fund. All options are supported by the insurance roadmap work programme.

147. Details on the options are in Attachment 1. This includes extensive notes and graphs to show the benefits and risks of each, and the impact on debt and rates.

Option 1 (Council preferred): maximum headroom, small fund:

For Option 1, the Council would reduce its current debt to revenue ratio from 225% to a new self-imposed 200% limit to provide debt headroom between the new limit and the 280% LGFA covenant limit.

148. This would be achieved by making approximately $400m of changes to the capital programme across the LTP. These are detailed in the CD based on the committee's decisions.

149. For option 1, the Council would establish a small investment fund using the proceeds from the sale of nine ground lease sales, estimated at between $60m-$70m. The leases proposed for sale are those agreed to by the Committee on 17 December.

Option 2 (not preferred): medium headroom, medium fund:

For Option 2, the Council would reduce its current debt to revenue ratio from 225% to a new self-imposed 215% limit to provide approximately debt headroom between the new limit and the 280% LGFA covenant limit.

150. This level of headroom can be achieved with lesser cuts to the capital programme than Option 1; approximately $200m, compared to the approximately $400m resolved by the LTPFP Committee on 26 November. If Council decided to go with this option following consultation, officers would provide advice on the potential make up of $200m changes in May based on community feedback received during consultation on the full list of $400m changes.

151. For option 2 Council would establish a medium sized investment fund ($250m to $314m). This would be via a partial sale (50%) of its airport shareholding and the targeted nine ground leases ($314m fund) or selling most of the ground lease portfolio, with a few key leases retained that have strong long-term strategic value for the city ($250m fund).

Option 3 (current LTP, not preferred): existing headroom, large fund:

The current (2024) LTP, has the Council would retaining its existing 225% debt to revenue ratio, existing headroom between 225% and the 280% covenant limit. For option 3 this level of headroom can be achieved without cuts to the capital programme as it assumes the Council's current self-imposed limit remains in place along with the Council's current capital programme.

152. Option 3 places heavy reliance on a large investment fund as the primary self-insurance mechanism, with the Council selling its full airport shareholding and establish an approximately $500m fund.

LTP amendment – Capital Programme Options for Consultation

153. It is recommended to include the following options in the CD for community feedback, and it has been drafted as per the officer recommendations. Any updates needed to the draft CD following the Committee's decisions will be made ahead of it being provided to Audit NZ on 17 February.

The Begonia House

154. In addition to demolition, two additional options are proposed to be consulted on with the public for the remediation of the Begonia House. Information on additional options was requested by the LTPFP committee.

155. The Indicative Business Case (IBC) included three other remediation options that are not recommended for further consideration either because they do not maintain current operations as a conservatory, or are not fiscally prudent, taking into account Council's current fiscal constraints:

- Iconic Building – repurpose the greenhouse as an events centre. This would not maintain the current operations of Begonia House as a conservatory.
- Partial Scope – partially remediating would enable current operations to be maintained but at a higher cost than the minimum remediation option.
- Scope Plus – this is the 'gold standard' option that goes beyond the scope of work required with increased costs and likely higher operating costs than meeting scope.

<u>Proposed consultation Options for the Begonia House:</u>

Option A – Demolish (current preferred option):

156. This option involves: no renewals or upgrades to the existing facility. Facilities are closed and all buildings, except for the café and kitchen, are eventually demolished.

157. 'Rough Order of Costs' were not completed for a demolish option. Since the Committee last met, Rawlinsons' (quantity surveyor) peer review provided an estimate of $1.4m for this option. This includes provisions for the retention of the café and for the demolished site to be formed into a carparking area. However, under this option there is no provision for toilets without which the cafe would be unable to operate. This option would therefore require a further provision for toilets .

158. A 'Rough Order of Costs' was completed by WT Partnership in December 2024 indicating a demolition cost of $5.6m. This estimate allowed for a new café and toilets rather than an upgrade.

159. The difference between the Rawlinsons' peer review and the WT Partnership demolition estimates reflects the uncertainty as to what 'making good' of the site looks like if the Begonia House is demolished. Should this option proceed, the potential options for the site will be costed and provided to Council for consideration. The demolition option includes retaining the provisional $3m approved for the budget in the 26 November committee meeting.

160. Demolition of the Begonia House will also incur asset impairment costs of up to $2.67m opex.

Option 2 – Do Minimum:

161. This option involves: retaining the Begonia House frame with repairs, demolishing the outer buildings, and providing temporary staff facilities (kitchen and toilets) via a Portacom. The roof and wall glazing would be replaced with single glazing, and a new Heating, Ventilation, and Air Conditioning (HVAC) system installed

162. This is the lowest-cost option, sustaining the Begonia House as a glasshouse, nursery, event venue, and café involves minimal remedial work. It would also require bringing forward funding for the Ops Centre to provide permanent staff facilities.

163. The IBC estimates $11m capex, excluding advancing the Ops Centre. Detailed design work would be required to finalise updated costings, risks, and design options. It estimates net operating costs of $0.37m per annum.

Option 3 – Meets Scope

This option involves: providing a fit-for-purpose solution, including structural and roof upgrades, double glazing, replacement of outbuildings, driveway continuation, a new retaining wall, and a new HVAC system. It offers a longer-term solution compared to Option 2 and was recommended in the IBC as the preferred approach. This option has an estimated capex cost of $20m.

Other options considered but not recommended for consultation

164. *Preserve as an Iconic Building*: This option would see the renewing of the building structure, roof, and walls to preserve its contributing heritage features. The greenhouse would be removed, and a renewed flat floor space created for events. This option does not maintain the current operations of Begonia House as a conservatory.

165. *Partial Scope:* This option would see new staff facilities, toilets, garden store, services and a new driveway. Existing structures would be demolished. The glazing, HVAC system, structure, greenhouse assets, events area, café, and kitchen would be upgraded. It goes beyond the minimum required and has estimated capex costs of $17.5m. It is more costly than the Do Minimum option while also not meeting the full scope of work.

166. *Scope Plus:* This option would see a new events and functions spaces established in a second and third story, building a new greenhouse structure, greenhouse assets, HVAC system, staff facilities, toilets, glazing system, garden store and services. Existing structures would be demolished and a new driveway, café, kitchen and seating area added. This is what would be considered the ‘gold standard’ and goes beyond the scope of work needed at an estimated capex cost of $25m.

Options for Karori Events Centre

167. The building was gifted to the Council by the Karori Community Hall Trust in 2022. However, the building is not yet able to be used.

168. It requires significant work to achieve building code compliance including fire rating the north facade and flood protection work, and repairs as it has experienced significant damage from water ingress in the time since it was built.

169. The current cost estimate to achieve building code compliance for the building is $3.3m. This would be an extra $1.3m over what is in the 2024 LTP. More funding would also be required to complete the fitout to allow the building to open.

170. Weathertightness assessments have been carried out and the financial impact of remediating these issues is included in the $3.3m estimate.

171. The recommendation of the committee in November was to stop work on the building and remove funding for it. Officers are recommending that the future of the building be consulted on as part of the LTP and Annual Plan consultation.

172. The officers recommended option is for *Option 1* the sale of the site as it is.

- This would involve running a process to identify a preferred purchaser for the site. The purchaser would be responsible for either completing the work required to use the building or demolishing the building and replacing it with something else. The Karori Community Hall Trust would have the opportunity to put forward a tender. This option could mean the building remains in its current unused state while the purchaser works through the design and consent process.

173. Alternative options recommended to be included for consultation are:

- *Option 2:* Demolition and remediation of the site: This would involve demolishing the current structure, removing all materials (recycling where possible) and returning the site to a bare state. This could provide an opportunity for community use of the site in the short-term, similar to the night and farmers markets held on the St John site throughout 2024. The cost of this option is approximately $300k.
- *Option 3:* Demolition and remediation of the site, followed by sale: The Council would demolish and remediate the site, returning it to a bare state before the site is sold. The cost to demolish and remediate the site is approximately $300k but avoids the risk of the building remaining in its current state for longer than necessary. It also provides an opportunity for community use of the space while a preferred purchaser is identified and the design and consent work is undertaken.
- *Option 4:* Increase of capex budget to achieve building compliance: An increase in the capex budget of $1.3m would allow the work required to achieve building code compliance to be undertaken. This would not include the cost of completing the fit out of the building to allow it to be opened and used by the community. For example, the walls would not be painted, there would be no furniture or kitchen equipment, no heating or cooling, no security or network infrastructure and areas such as the backstage changing rooms would not be completed.

Options for Paneke Pōneke Bike Network change

174. The capital programme review is proposing to change the delivery timeframe for the Bike Network Plan from 10 years to 20 years.

175. In the 2021 LTP, after public feedback, the decision was made to accelerate the delivery of our cycle network infrastructure, and the Paneke Pōneke Bike Network Plan was adopted in March 2022.

176. The 2024 LTP allocated $106.9m to deliver most of the rest of the programme over 10-years. This was a reduced cost of about $66m from the 2021 LTP due to shifting from the current "temporary followed by permanent" approach to a "hybrid" approach, maintaining the same momentum but at a reduced cost through fewer major civil works and using more above ground permanent materials.

177. This area, along with the rest of the transport portfolio, was also impacted by a reduction in allocation from the National Land Transport Fund (NLTP) for the next three-years ($1.67m loss from Cycleways Minor Works and $19.45m loss from Cycleways). These figures are not inflated.

178. Officers are proposing three options for consultation:

- *Option 1: 20 years:* (budgeted preferred option). Complete the Primary Network only over 10-years. This option will finish what has been started, including completing projects already in construction, starting construction to complete the last section of Evans Bay and the Brooklyn to City Project and starting and completing the remaining primary network (17.6 km). Complete the Secondary network in Years 11+ of the plan. $77.4m.
    - Total LTP cost: $63.5m ($58.4m Cycleways and $5.1m Cycleways Minor Works), plus funding in Years 11.
    - Savings**:** $44.3m ($40.7m from Cycleways and $3.6m from Cycleways Minor Works) and &15.1m to compensate for the loss in NLTP funding.
- *Option 2: 10 years*: Continue to deliver most of the programme to a 10-year timeline. This would involve increasing the budget back to $106.9m and absorbing the extra costs from the lost NLTP funding.
    - Total LTP cost: $106.9m ($95.89m for Cycleways upgrades and $10.9m for Cycleways Minor Works)
    - Additional cost to Council compared to 2024 LTP: $20.2m to compensate for loss of NLTP funded revenue.
- *Option 3: Finish what's started:* The Council would finish projects which have been approved and are either under construction or in pre-implementation, for example the last part of Evans Bay cycleway. Additional funding of $7.4m would be allocated across years 4-10 for maintenance of the in-place transitional materials and to fix some of the missing links between already installed routes. It would not complete the last of the primary network.
    - Total cost: $36.5m ($34.9m for Cycleways upgrades and $1.6m for Cycleways Minor Works) plus $63.5 (including $6.9m to compensate the NLTP funding shortfall. Saving compared to 2024 LTP: $63.5m (including $6.9m to compensate for loss of NLTP funded revenue).

Annual Plan options for Consultation

Options for Mātai Moana

179. Mātai Moana, located near the entrance of Te Whanganui-a-Tara (Wellington Harbour), spans 74 hectares at the northern end of Te Motu Kairangi (Miramar Peninsula, also known as Watts Peninsula). It is proposed to be vested to the Department of Conservation as a reserve.

180. Historically, this land was used by Māori for pā (fortified settlements), kāinga (villages), and mahinga kai (food gathering areas). It also features sites of early European farming and military landmarks. Today, Taranaki Whānui ki te Upoko o te Ika are the kaitiaki (guardians) of Te Motu Kairangi, which they regard as a tūpuna (ancestor).

181. The Crown owns the land and proposes to vest the land to the Department of Conservation as a reserve. The proposal we are seeking feedback on is whether the Council has a role in the management of that land.

182. Taranaki Whānui, with the Crown, has developed the proposal for the joint management of the reserve and as such is inviting the Council to partner in that joint management.

183. The proposal aligns with the 2018 City Strategy Committee decision that agreed: [that the Council agrees] in principle to control and manage a future reserve. The Committee also agreed that Council will work with iwi on the ongoing development, management and protection of the whenua, and reflects the Council's commitment to honouring Tākai Here and supporting mana whenua aspirations.

184. The vision for Mātai Moana as a reserve is for both the people of Wellington and New Zealand while protecting and restoring its cultural and environmental values to create opportunities for public use and recreation for future generations.

185. Consultation on this opportunity is being conducted through the Annual Plan process to align with the Council's strategic and financial planning. This approach ensures that any decision regarding joint management of Mātai Moana, a site of high local and regional importance, is informed by public engagement and financial considerations.

Funding

186. In 2018 the Council allocated $0.75m annually to support the operational and maintenance costs of Mātai Moana as a heritage and recreation reserve. This funding will support:

- The preservation of culturally significant sites, such as wāhi tapu and pā, and securing historic structures like Fort Ballance.
- Restoring ecological features and improving biodiversity through native planting and pest management.
- Creating safe public access and recreational opportunities, including pathways, signage, and community spaces.
- Meeting statutory requirements under the Reserves Act 1977, including developing a management plan within five years.

- The allocated funding will enable the Council and Taranaki Whānui to fulfil shared stewardship responsibilities and safeguard a site of regional and national significance.

187. The Council is proposing two consultation options for management of a reserve.

Option 1: Taranaki Whānui and WCC joint management (proposed)

188. Mātai Moana is vested as a reserve, and Taranaki Whānui and the Council are jointly appointed to manage the reserve by the Department of Conservation. This would occur through DoC establishing a new management Trust (or governance entity) for the reserve. It is not intended that this entity will be a CCO. This option ensures Mātai Moana's cultural and environmental values are preserved and managed for the benefit and enjoyment of the public.

189. The 2024-34 LTP allocates annual funding of $0.75m to meet the operational and maintenance expenses, including ecological restoration, heritage site upkeep, and public access improvements. The LTP also allocates $2.5m from the Plimmer Trust to support the development of the reserve.

Option 2: No joint management agreement

190. The Council does not agree to be involved in the establishment and management of Mātai Moana. As landowner, the future of the land will be decided by the Crown.

191. With this option the Council will save $750,000 per year in operational expenditure. Removing the funding from the budget would be result in a 0.1% reduction in the 2025/26 rates increase.

Whai whakaaro ki ngā whakataunga | Considerations for decision-making

Alignment with Council’s strategies and policies

192. The 2024-34 LTP outlines a number of Council strategies and policies. The LTP Amendment seeks to provide a financially prudent basis for delivering on the Council’s strategies and priorities in the 2024-34 LTP.

193. The Annual Plan for year 2 of the current 2024-34 LTP builds on the strategic foundation set in the LTP year 1, ensuring continued alignment with the Council's overarching strategies and policies, while reflecting the impacts of the above LTP amendment.

Engagement and Consultation

Special consultative procedure

194. The Council is required to use the Special Consultative Procedure (SCP) for adopting or amending an LTP. This procedure mandates the preparation of a statement of proposal, which must be made publicly accessible. Requirements include consulting with the community regarding the proposed amendment, its implications, and any alternatives that the local authority seeks to discuss with the community. There must be a minimum feedback period of one month. Additionally, the Council must ensure that people have the opportunity to present their views through written submissions, verbal interaction, or sign language.

195. The proposed communications and engagement plan will allow the community to share their opinions on the proposals in the CD with the Council.

196. The concurrent timing of water Reform, the LTP Amendment, and the 2025/26 Annual Plan, means that we are planning for a joined-up consultation using a single CD, with a single campaign encouraging the public to have their say on all three issues. The primary objectives are to:

- encourage and support people to make informed submissions via the correct process.
- build awareness of the consultation, key dates, and how to participate.
- provide clear, accessible information to build understanding of the proposals.
- reduce consultation fatigue and streamline our processes where possible by consolidating the three consultations.

197. An overview of the planned communications and engagement for the consultation is included in Attachment 14. It includes:

- *Meaningful Engagement* – partnership with community organisations, a collective approach with other Councils on Water where possible, a focus on creating safe, constructive dialogue spaces
- *Clear communication* – consistent messaging, flexible resources adaptable to audience needs.
- *Multi-channel promotion* – comprehensive promotion across internal/external channels with paid advertising, strategic mix of digital and print media including a citywide mail drop, targeted materials in community venues.
- *Enhanced accessibility* – digital-first approach for maximum reach and flexibility, new audio/video submission option to support diverse accessibility needs, translated materials and accessible formats (time permitting).

Māori Impact Statement

198. The proposed changes to the capital programmes may impact the delivery of some of Council’s Tūpiki Ora Māori Strategy action plans that enables Council to deliver on the LTP priority *‘celebrate and make visible te ao Māori across our city* such as the actions to support climate change and supporting Māori, mana whenua and affordable housing.

199. While some of the capital programmes and projects are proposed to be reduced and / or deferred, may impact some Tūpiki Ora actions this is not going to change the Council’s commitment to activity in the remaining capital work programme focused on bringing te ao Māori to life across the city.

200. The LTP amendment further may also impact the Tākai Here partnership agreement. The possible impacts of the LTP amendments include:

- Changes to agreed commitments, timelines and deliverables;
- Fewer resources available in the near term to support the commitments under the Takai Here partnership;
- Possible realignment of the partnership's expectations / objective to a changed capital programme; and / or

- Preservation of the partnership commitments and expectations in light of any changes

201. We are working closely with the local iwi on the future management of the Mātai Moana Reserve (Miramar Peninsula). Taranaki Whānui, in collaboration with the Crown, has further developed a proposal for joint management and is inviting the Council to partner in this initiative.

Financial implications

202. The financial implications of the LTP Amendment and the recommendations in this report are detailed within the paper itself and also within the CD. They include:

- Recommended budget adjustments as part of the Annual Plan process;
- The updated capital programme;
- The depreciation and interest implications of the amended capital programme; and
- Updated debt to revenue ratio calculations.

Legal considerations

203. Council has a statutory requirement to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. This is the key obligation underpinning the proposed financial strategy of this LTP Amendment.

204. For an LTP amendment, the content of the CD must be that which Council considers (on reasonable grounds) will achieve the purpose set out in section 93B of the LGA and must include the proposed amendment, its rationale and implications and any alternatives that the Council may wish to discuss with its communities. This consideration is subject to audit opinion. Under section 93B, the purpose of the CD is to identify and explain the important issues and choices facing the Council, the consequences of those choices and to inform the discussions with the community on these issues.

205. An LTP, including LTP amendments, is a statement of intentions and not a decision to act on any specific matter. For those Capital Programme changes where decisions on a specific matter are sought alongside this LTP amendment process, the decision-making requirements in the LGA apply. This includes the section 77 requirement to identify and assess the reasonably practicable options.

206. Councillors must not show (or appear to show) predetermination or bias in their decision making. This is particularly important when entering into a consultation process such as the Long-Term Plan and the proposals within it. Councillors have a statutory obligation to receive those views with an open mind.

207. This does not mean that Councillors cannot have views or even strongly held views about issues. However, Councillors should not commit to a particular outcome prior to the decision and should be able to demonstrate that they are open to alternatives, after listening to consultation and debate.

Risks and mitigations

208. All risk and mitigation are outlined in the body of the paper and attachment.

Disability and accessibility impact

209. Projects that aim to improve the city's accessibility for people with disabilities or meet accessibility requirements may be impacted by changes to the capital programme.

Climate Change impact and considerations

210. Projects that will help meet our emission reduction target may be impact by capital programme changes.

Communications Plan

211. Full details of our communication and engagement approach is outlined in Attachment 14.

Health and Safety Impact considered

212. The health and safety implications of any changes to the LTP and Annual plan will be considered as part of future reports.

Ngā mahinga e whai ake nei | Next actions

213. If the Committee approves the draft CD and budget, these will be provided to Audit NZ for review no later than 20 February.

214. Officers will provide the following to the Committee on 18 March:

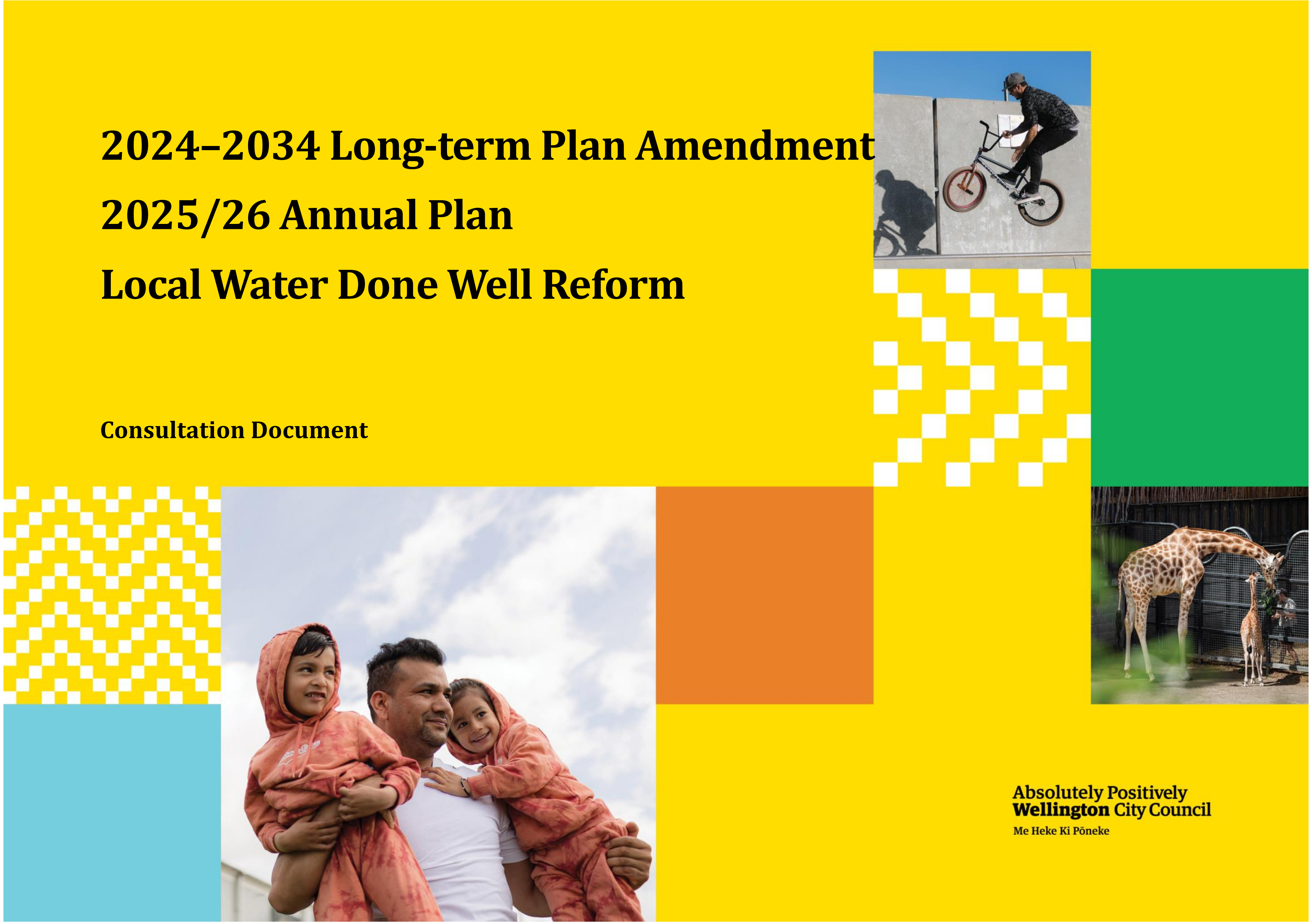
- Audited LTP Amendment Consultation Document
- Annual Plan Consultation Document
- Water reform Consultation Document

215. We will also seek approval to adopt the CDs at the18 March LTPFP Committee meeting, prior to consultation.

216. The LTP Amendment and Annual Plan consultation process will be open from 20 March to 21 April. The Council's water reform consultation will take place across the same period.

Attachments

Attachment 1.	Draft Consultation Document
Attachment 2.	Amended Financial Strategy
Attachment 3.	Amended Infrastructure Strategy
Attachment 4.	Amended Prospective Financial Statements
Attachment 5.	Amended Funding Impact Statements
Attachment 6.	Amended Significant Forecasting Assumptions
Attachment 7.	Amended Volume 1 of the 2024-34 LTP
Attachment 8.	Amended Volume 2 including Statements of Service Provision
Attachment 9.	Advice on potential sale of carbon credits
Attachment 10.	Annual Plan Prospective financial statements
Attachment 11.	Annual Plan Funding Impact Statements
Attachment 12.	Proposed changes to user fees and charges
Attachment 13.	Advice on options for the partial sale of Council's art collection
Attachment 14.	Consultation communications and engagement overview



2024–2034 Long-term Plan Amendment

2025/26 Annual Plan

Local Water Done Well Reform

Consultation Document

Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

Contents

Kia ora | Welcome

Ko tō mātou matawhānui mō te anamata o *Pōneke: te pokapū auaha e ora tōnui nei te tangata me te taiao,* e whai ana kia tāone tainekeneke, tāone toitū, tāone ngangahau anō hoki. Me whakatakoto e mātou ngā tūporo ināianei hei tūāpapa mō te anamata.

Ko tā te mahere pae tawhiti he whakatakoto i te ara e taea ai tēnei whāinga. Ka whakatakoto i ngā whakaarotau mō ngā tau 10 e haere ake nei, ko ngā mahi ēnā, me ngā moni e utua ai ēnā mahi.

Our vision for the future, *Poneke: the creative capital where people and nature thrive*, is about creating a dynamic, sustainable and vibrant city. We need to put the building blocks in place now to lay the foundations for this future.

This document includes information about a change to our 2024-34 Long-term Plan (2024 LTP), what is happening in the 2025/26 year, and our response to the Central Government Local Water Done Well reform legislation requirements.

What is this document?

This document is made up of three distinct sections, and we are seeking feedback on all of them. There is a lot of information in this document and more supporting information available online. If there any questions, please either use the online Q&A portal or email us at ltp@wcc.govt.nz

1. **Long-term Plan Amendment (pages X to X):** This section outlines the proposed changes to dealing with our under-insurance and investment diversification risks. This includes changes to our capital expenditure programme.

   The proposals in this section significantly change what was included in our 2024 LTP. Therefore, if the proposal is adopted, the 2024 LTP will be amended. For the complete set of supporting information that underpins the proposals, please visit letstalk.wellington.govt.nz
2. **Annual Plan 2025/26 (pages X to X):** This section discusses our proposed plan for 2025/26. Except for the areas outlined in Section 1, we are planning to continue to deliver on the plan set in our 2024 LTP, with some proposed changes, including fees and user charges, rating policy changes and information on the property revaluations. This section includes the information on the rates rise for the year.
3. **Local Water Done Well Reforms (pages X to X):** This section provides information about the three options we are consulting on when it comes to the delivery of water services in Wellington. You can learn more about how water works in the region currently and compare the three proposed options to help inform your submission.

We need your voice

Our plans and budgets are draft. We will be finalising them in June 2025. Before then, we need to hear from you. This will help the Mayor, Councillors and Pouiwi make their final decisions on behalf of the city.

How to have your say

The consultation will run from 20 March to 21 April 2025.

There are multiple ways to let us know what you think:

- An online submission – via our website. This can be made in writing through the online survey or by submitting a video or audio file. You can also upload supporting documents with your submission.
- By email – email your submission using the form at the back of this document or online to: ltp@wcc.govt.nz
- Hard copy form - printed from our website or picked up from

any of our libraries. Completed forms can be returned by free post or dropped into one of the submission boxes at our libraries.

- Oral submission – All those making a submission have an opportunity to speak to that submission at Oral Hearings in May. Please indicate this preference clearly when you make your submission. Our submission form includes a question on oral submissions.
- Note: you can make an oral submission without providing a written submission first. Please contact us at annualplan@wcc.govt.nz or by calling our contact centre on 04 499 4444 by 21 April 2025 to let us know if you want to do this.

What happens next?

We appreciate the feedback we get, and we take time to consider it.

The Mayor and Councillors are given copies of all submissions and hear all oral submissions. We also prepare reports on the feedback we receive, so Councillors know what the main themes and comments are.

The Mayor and Councillors are scheduled to deliberate on the final plan on 22 May 2025 and adopt the final plan on 26 June 2025.

Is there more information?

The Long-term Plan is made up of various piece of financial information, policies and strategies. These are then combined into the final LTP Volumes, which are available on our website.

No final decisions have been made on the amendment, but all the supporting information that underpins this consultation document is available on our website. This includes what amendments we have made to our LTP documents to reflect the changes we are proposing, including our draft financial statements, and the Financial and Infrastructure Strategies, changes to user fees and charges, and any relevant information on the projects for the year.

Note: The 2024–34 Long-term Plan came into effect on 1 July 2024. The plan as adopted can be viewed here: Long-term Plan - Plans, policies and bylaws - Wellington City Council

We acknowledge Te Tiriti o Waitangi

We recognise that Te Tiriti o Waitangi forms the underlying foundation of the Council and mana whenua relationship, and that the Council acts in accordance with Te Tiriti o Waitangi.

Tākai Here

Through the signing of Tākai Here, the Council has forged stronger partnerships with mana whenua in Te Whanganui-a-Tara. This collective agreement allows for a stronger governance relationship and sets out the principles, values, and priorities for the way we will work together.

Through Tākai Here, we work in partnership with:

- Taranaki Whānui Ki Te Upoko o Te Ika (Port Nicholson Block Settlement Trust)
- Te Rūnanga o Toa Rangatira
- Te Rūnanganui o Te Āti Awa Ki Te Upoko o Te Ika a Māui

Te Kupu a te Koromatua

Tory Whanau
Te Koromatua o Pōneke

Mayor’s welcome

Tory Whanau
Mayor of Wellington

Wāhanga 1: to come

Section 1: Long-term Plan amendment decision

Kei tēnei wāhanga | In this section

Te reo to come.

This section outlines the proposed changes to dealing with our under-insurance and investment diversification risks. This includes changes to our capital expenditure programme.

Te reo to come

Introduction

A key issue in the adopted 2024 Long-term Plan (2024 LTP) was ensuring the Council's financial sustainability for the future.

We are exposed because we cannot insure all our assets – we have a $1.8 billion to $2.6 billion gap in our insurance cover – so if there is a natural disaster, we will not have sufficient funding to repair damage and rebuild our city.

Further, most of our investments are concentrated in Wellington International Airport Ltd (WIAL) shares or property ground leases. This means all our investments are exposed to the same risks. For example, a natural disaster affecting the city would affect our investment assets, meaning we could lose our investment revenue or it could be harder to sell them afterwards to provide the Council with funding to support recovery.

The 2024 LTP proposed to manage these risks through the establishment of a new, large investment fund, created through the sale of our airport shares.

However, on 10 October 2024 the Council voted on a Notice of Motion (NoM) to begin a process to remove the sale of the WIAL shares from the plan. This means we need to amend the 2024 LTP to look at alternatives to solve our financial risks.

The issues we need to mitigate and the options to do so are outlined for your feedback in this document. We also have supporting information on our website to download, at our libraries or you can request it by emailing ltp@wcc.govt.nz.

The Council's preferred option is to reduce our planned capital investment programme which will increase our debt headroom and give us the ability to borrow more to respond to a significant event, and to create a small, diversified investment fund - a Disaster Resilience Fund (DRF).

What we have heard

We built the 2024 LTP with help from our community. In the past two years we conducted specific Long-term Plan engagements that resulted in more than 7,000 pieces of feedback including 4,000 formal submissions. The areas we consulted on were community outcomes and priorities in March – May 2023, on the review of our rating policies in September – October 2023, held a Citizens' Assembly in October 2023, and conducted formal consultation on three key options in April – May 2024.

Summaries of the information we have received from the public on the 2024 Long-term Plan is available on our website.

I whea mātou

Where we have come from

This consultation document is based on the 2024 LTP. The amendment deals with a decision that we are seeking more feedback on, but it doesn't re-do the whole plan.

The 2024 LTP set a vision, outcomes and priorities – all of which we have considered in working through the options for the amendments.

Our vision for the future

We want Pōneke to be the creative capital where people and nature thrive, and we plan to make sure our decisions now help us achieve that future.

Central to this is our commitment to strong partnerships with mana whenua – *We are committed to Te Tiriti o Waitangi and strong partnerships with mana whenua. Tākai Here and Te Tiriti o Waitangi lay the foundation for everything that the Council does.*

Underpinning our vision are five intertwined community outcomes (below). These are aspirational statements.

To help us achieve these goals, we asked what priorities we should focus on now to make sure we make progress towards them. In March to May 2023, more than 3,000 Wellingtonians gave us feedback that led to the nine below. These priorities have helped us shape this plan and make the hard decisions needed.

The 2024 LTP also embeds five approaches to help guide the Council in all parts of our work – going forward we are committed to putting te ao Māori, accessibility, the climate, community engagement and effective delivery at the heart of the Council and your city.

Outcomes	**Cultural Wellbeing:** A welcoming, diverse and creative city	**Social Wellbeing:** A city of healthy and thriving whānau and communities	**Economic Wellbeing:** An innovative business friendly city	**Urban Form:** A liveable and accessible, compact city	**Environmental Wellbeing:** A city restoring and protecting nature
Priorities	Nurture and grow our arts sector	Increase access to good, affordable housing to improve the wellbeing of our communities	Revitalise the city and suburbs to support a thriving and resilient economy and support job growth	Collaborate with our communities to mitigate and adapt to climate change	Fix our water infrastructure and improve the health of waterways
	Celebrate and make visible te ao Māori across our city	Invest in sustainable, connected and accessible community and recreation facilities		Transform our transport system to move more people with fewer vehicles	Transform our waste system to enable a circular economy

Te reo to come

Key issue for your feedback

Manage insurance and investment risks

The Council has two financial risks that it needs to manage – these challenges have been identified by external financial advisers and the Council's rating agency, Standard and Poor's (S&P). They need to be addressed to improve the Council's long-term financial resilience.

The scale of these two challenges cannot be ignored – doing nothing leaves the Council exposed to unnecessary risk and the solution needs to address both problems.

A summary of the challenges is outlined in this section with more information available in our Financial Strategy.

1. **Insurance:** We do not have sufficient insurance to respond to future natural hazard risks (e.g. earthquakes). The value of this under-insurance is estimated at $1.8b to $2.6b and has grown significantly over the past three years.

   If our water assets are transferred to a new water entity this gap remains high at an estimated $1.7b to $2.2b.

   The cost of insurance is expected to continue to rise and the availability of insurance to continue to be challenging and limited. This means the Council cannot rely on purchasing increasing amounts of insurance in the private market and needs to consider new solutions to address this problem.

2. **Investments:** All our eggs are in one basket. The Council's investment portfolio is not diversified, with 93 percent of our portfolio held in airport shares and ground leases – all Wellington-based property assets. This means that the Council's portfolio is exposed to the same kinds of risks, including sudden and unforeseen natural disasters, longer-term climate and market risks.

Glossary

Find the full meanings of these and other key terms on page X.

- 1-in-1000 year event
- Capital Expenditure
- Debt to Revenue ratio and Debt headroom
- Disaster Resilience Fund
- Expected returns
- Financial Prudence
- Financial Strategy
- Funding sources
- Infrastructure Strategy
- Investment diversification
- Liquid funds
- National Seismic Hazard Model
- Operational expenditure
- Premiums
- Risk
- Under-insurance and Insurance gap

If you have any questions, please email ltp@wcc.govt.nz

Financial challenges

Challenge 1: We are significantly under-insured

In the past few years, there have been several factors having an increasing impact on the Council's ability to purchase insurance and the cost of it.

Earthquakes and climate

Wellington is situated on three fault lines and a fourth runs through the Wairarapa. This means our city and all our assets are exposed to significant seismic risk. The risk of severe climate and weather events is also increasing, and our assets are exposed to these risks too. While seismic events to not impact everyone, climate risks and the impact on the insurance market is global, not only affecting Wellington.

The result is it is becoming harder to get insurance to cover our assets, with coverage either unavailable, limited or with unaffordable premiums. These limitations are being felt by private and public asset owners and we expect this trend to continue.

Value of assets

The value of our buildings and infrastructure also continues to increase – e.g. our latest revaluation increased the value of our insured infrastructure assets (roads and pipes) by 14%, putting more pressure on our insurance premium costs.

Essentially, we currently would not have enough insurance and we would not be able to fully fund the rebuild of our assets after a major earthquake.

The National Seismic Hazard Model released in 2022 showed an increase in the assumed risk to Wellington due to a major earthquake. Therefore. the potential financial impact on the Council of a major earthquake is much greater than previously modelled.

Since the 2021 LTP, the modelling shows the Council has assumed a significantly greater and unsustainable level of uninsured risk over the past four years, and we now have a $1.8b to $2.6b insurance shortfall in a major event.

The 2021 LTP set aside $272m of debt headroom to act as a self-insurance buffer. It was money we could borrow if needed in an emergency. However, this is now far from sufficient to cover our expected losses.

It is important to note the options for Local Water Done Well (see page X) will have an impact on the value of our insurance and the shortfall. The Council's preferred option proposes transferring our water assets to a new water entity, meaning the Council will no longer be insuring them.

If our water assets are transferred the under-insurance gap is estimated to be $1.7b to $2.2b.

However, we also expect that insurance will continue to remain difficult to get and increasingly costly. So overall, we expect the value of our insurance shortfall to remain significant.

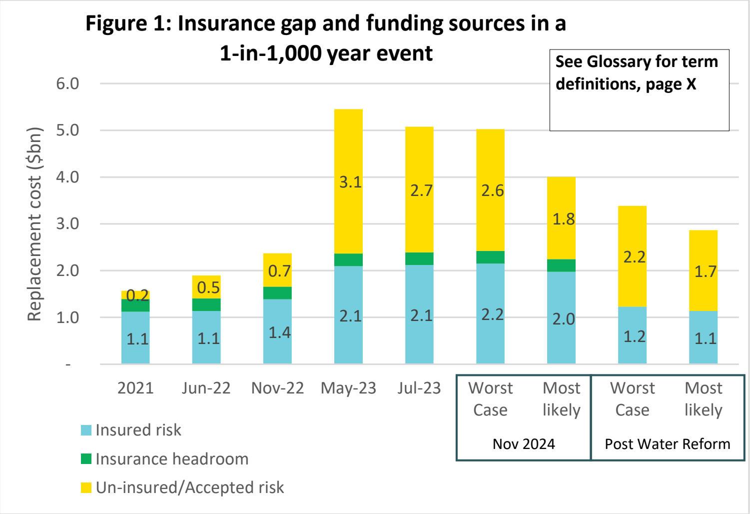


Figure 1: Insurance gap and funding sources in a 1-in-1,000 year event

Challenge 2: Our investment portfolio is undiversified

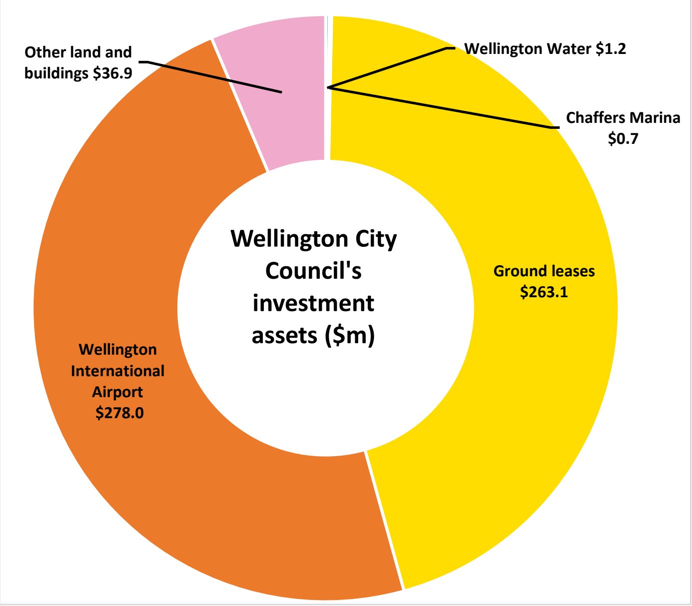
The Council's investments are mostly property assets and are located in the city – 93 percent of our investment portfolio is made up of our Wellington International Airport Ltd minority shareholding and land we own and lease out (ground leases). This means our portfolio is exposed to the same risks – an earthquake that impacts Council buildings will also impact the airport and our other properties.

This is a lack of diversification and means the Council could face significant financial losses if one or more of the risks was to eventuate. It would be more difficult to release money from these investments (sell them) when an event, like an earthquake, occurred as the value of the assets could be significantly impacted and/or it could be difficult to undertake a sale at that time.

Local government has a narrow range of tools for funding projects and everyday costs. Most of our operating revenue comes from our residents through rates, or fees and user charges, and our capital investments are paid for through debt. Our investments are one of the only other ways the Council receives revenue.

Therefore, a disruptive event may also mean the loss of revenue if dividends are not paid or the amount we receive in dividends is lower than we planned. This occurred during the COVID-19 pandemic when we didn't receive a dividend from the airport. In that situation the Council debt-funded the impact of the lost revenue to lessen the impact on rates. In an emergency this is less likely to be possible as our debt would be needed for disaster response.

Figure 2: Council's investment portfolio



What are the options?

The Council needs to explore solutions that address both challenges so that we have a strong financial future.

There is no silver bullet – the risks outlined here will require several solutions and monitoring over time. We will continue to build our understanding of the risks the city faces and will explore new solutions if they become available.

The solutions

With such a large under-insurance issue, and a constrained private insurance market, the option available to the Council is to self-insure to a greater extent than currently.

We can do that in either of the two ways below or a mix of both:

- **Increase our ability to borrow:** retain the ability to draw down debt to fund disaster recovery. We would do this by reducing our debt limit and changing our capital programme to ensure that we stay under the new debt limit so there were funds available in the case of a disaster (debt headroom).
- **Establish an investment fund:** establish a new fund which is invested to grow and provide funds if needed. The establishment of a self-insurance fund will also help to diversify the Council's portfolio through giving us another avenue for funding.

Objectives

In determining the best way forward, the Council has objectives it is seeking to achieve. In developing the options we have measured their effectiveness against these objectives below:

- **Insurance risk:** make a meaningful contribution to the $1.8b-$2.6b under-insurance gap (or $1.7-$2.2b with water assets excluded)
- **Diversification:** improve the diversification of the Council's investment portfolio
- **Rates:** minimise the impact on rates
- **Debt:** maintain flexibility for the Council's current and future capital spending to be able to respond to community priorities
- **Funds in a disaster:** provide quick access to funds that will be available in a disaster.

Our preferred option

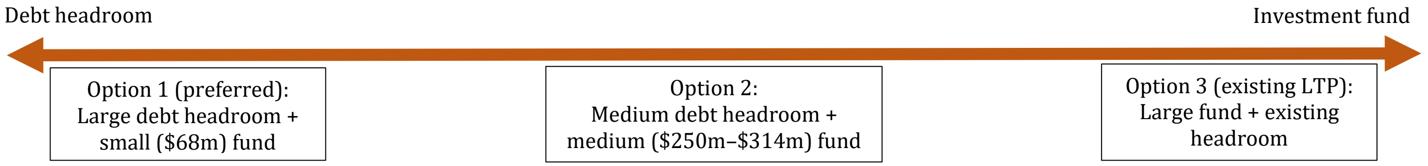
Our preferred way forward, Option 1, is to create additional borrowing headroom to achieve a reduced debt headroom limit of 200%. To achieve this headroom, we need to reduce our current and future capital expenditure and therefore our borrowings. We also propose to establish a small $68m investment fund (Disaster Resilience Fund) using the proceeds from the sale of some ground leases.

Tell us your feedback on this issue and the proposed options in your submission.

The options

The three options for public feedback, see Figure 3 below, are set along a spectrum – with more reliance on our ability to borrow at one end and more reliance on an investment fund at the other.

Figure 3: Options for feedback



This quick summary compares the options. Each option is outlined in detail below, including any impacts on services, risks, opportunities and the timeframe for it to reach the $1b total. See the Glossary on page X for definitions of key terms.

	Option 1	Option 2	Option 3
Debt limit	200%	215%	225%
Capital spending reductions	$400m	$200m	None
Year debt limit achieved	2030/31	2030/31	
Starting investment fund size (approximate)	$68m	$250m to $314m	$560m
Source of money for the fund	Sell nine ground leases	Sell 50% of our airport shares and nine ground leases OR Sell most of the ground leases (those it is feasible to sell)	Sell all our airport shares and nine ground leases
Rates impact	For all options: The rates impact depends on future Council decisions, but the modelling for this consultation assumes the Council takes a return from any investment fund that matches any lost income from selling any assets – if the Council was to take this future decision regarding distribution from the fund, this means there would be no rates impact.		
Capital programme impact	This option proposes some changes to the capital programme that was adopted in the LTP in June 2024. These are detailed in Appendix 1 from page X to X.	This option proposes some changes to the capital programme that was adopted in the LTP in June 2024. These are detailed in Appendix 1 from page X to X.	This option reflects the current 2024 LTP. As such, it does not propose changes to the capital programme.

Notes on the options

The information on the following four pages (pages X to X) should be read in conjunction with all the options.

Ability to borrow

The Council is only permitted to borrow up to 280% of its revenue under the Local Government Funding Authority rules – for every $100 of revenue we get, we can borrow up to $280.

This means if we want to increase the money available in a disaster, we need to reduce how much we plan to spend (capital expenditure) so we can reduce our current and future debt. We also need to set a new self-imposed borrowing limit to ensure we keep this future 'rainy day' capacity. Currently, the Council's self-imposed borrowing limit is 225% of its revenue.

To create the additional borrowing capacity we are proposing for Option 1 and Option 2, we need to reduce our debt limit and ensure our capital expenditure programme operates within it.

Under our preferred option (Option 1), this limit would reduce to 200% (for every $100 we get in revenue, we can borrow $200) and under Option 2, this limit would reduce to 215% (for every $100 we get in revenue we can borrow $215). Option 3 retains the current 225% limit.

This means our preferred option (Option 1) includes changes to the capital programme that will reduce our planned spending and debt, and operate in the new 200% limit by 2030/31. These projects are listed in the options and the full details of the changes for public feedback are available in Appendix 1 on page X.

For Option 2, the capital programme changes that could form part of the proposed $200m reductions would be from the same list as those detailed in Appendix 1 for feedback. A set list has not been created for this option as it is not the Council's preferred option. If this option is selected by Council for adoption, recommendations would be based on the public feedback on the Appendix 1 proposals. Under Option 2, we anticipate we would operate in the new 215% limit by 2030/31.

Establishing an investment fund

All options for consultation and feedback include setting up an investment fund (also known as a disaster resilience fund) – but each option proposes a different sized fund.

Any fund that is established is proposed to be a financial asset for the Council. It will be a publicly owned, diversified investment fund that will grow over time to provide money to support the city's recovery from natural disasters, including by covering an insurance gap. It starts to move our investments away from Wellington-based property which will help increase our financial resilience, particularly if a natural disaster that affects property assets strikes.

All the money in the investment fund will be ring-fenced, meaning money can only be withdrawn and used for the purposes for which the fund is established (e.g. for recovery from a natural disaster). It will not be able to be used by the Council for other purposes (e.g. to repay debt or pay for other Council projects). The Council may also decide to put other protections over the fund to ensure it is only used for its intended purpose.

Other councils have successfully established similar funds. Examples are the New Plymouth District Council Perpetual Investment Fund, Bay of Plenty Regional Council's Quayside Holdings, the Dunedin City Council Waipori Fund, and the Hawke's Bay Regional Council Future Investment Fund.

The fund will become a strategic asset in the Council's Significance and Engagement Policy, meaning if significant changes to it were proposed, we will need to consult with the community.

More detail on the design of a investment fund is available here Wellington City Perpetual Investment Fund.

Summary of the options against the objectives

Insurance risk

All of the options make a meaningful contribution to the Council's under-insurance risk, by establishing additional self-insurance through a mix of increasing our ability to borrow and establishing an investment fund.

It is important to note that the actual dollar value of the debt headroom created will change year on year, because the headroom available is based on the actual revenue received for that year.

Also none of the options will fully cover the $1.8b to $2.6b (estimated $1.7b to $2.2b without water assets) total risk, meaning some risk will remain.

<u>Option 1</u>
This option will take until Year 7 of the LTP (by 2030/31) to achieve the 200% debt target. This will create about $700m (in 2030/31) of debt headroom based on water assets, revenue and expenses being transferred to a new entity. This option also has an investment fund of about $68m.

<u>Option 2</u>
This option will take 7 years (by 2030/31) to achieve the 215% debt target. This will create about $550m of debt headroom based on water assets, revenue and expenses being transferred. This option also has an investment fund of about $250-$314m.

<u>Option 3</u>
This option retains the current capital programme but the large $560m fund will make a larger contribution to mitigating this risk than the smaller funds. This option will have about $400m of debt headroom based on water assets, revenue and expenses being transferred to a new entity.

<u>Fund modelling</u>
The inclusion of an investment fund in all options will mean the risk will be increasingly mitigated over time as the fund grows.

The larger the starting value of the fund, the better the fund will contribute to mitigating our insurance risk. Other factors, including the fund's investment strategy and the return the Council decides to take from the fund, will also determine its long-term value and the extent to which it effectively manages our financial risks.

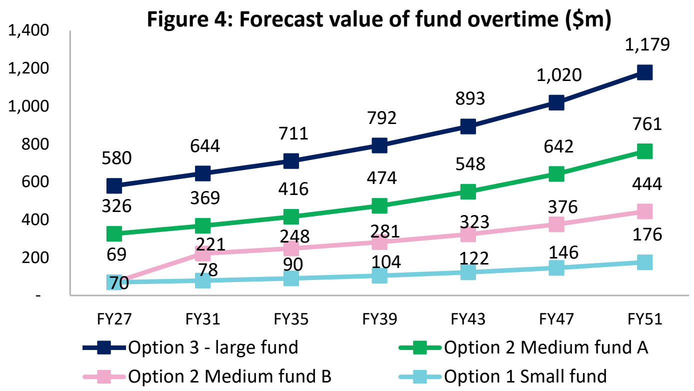


Figure 4: Forecast value of fund overtime ($m)

As the modelling in Figure 4 shows, the effectiveness of the fund is influenced by the starting size. Therefore, Option 3 is the most effective, followed by Option 2, with Option 1 being the least effective.

The under-insurance risk is not about the Council having no insurance. We have approximately $0.9b of insurance for our assets, however the modelling (page X) suggests this is likely to be less than a quarter of the amount we would need after a major earthquake.

Diversification

All options provide an investment fund that will be invested out of Wellington and some security of having a diversified revenue stream that is not linked to Wellington-based assets.

The difference between the options and how good they are in diversifying our investments depends mainly on the size of the fund created and the source of the money used to start it.

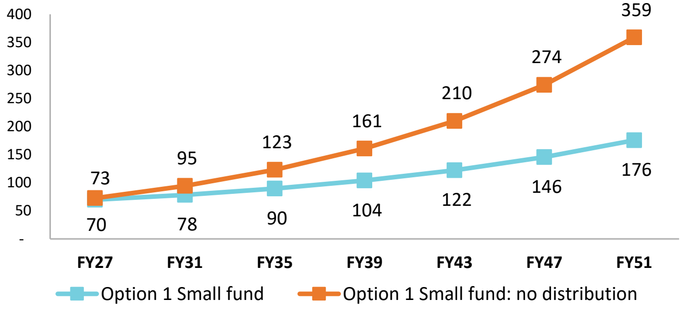
<u>Option 1</u>
This option is only a small fund created by the sale of only nine ground leases. Essentially because Option 1 primarily relies on debt headroom instead of a fund, the

diversification of our assets does not fundamentally improve with this option and the risk remains.

Option 2
This option is a medium fund created by the sale of half our airport shares or most of the ground leases (excluding a small set with long-term strategic value for the city). Because this involves about $250m to $314m of diversification of our assets it helps mitigate some of the diversification risk.

Option 3
This option is a large fund via the sale of all airport shares. This would be the most effective at mitigating the diversification risk because of the fund size.

Figure 5: Forecast value of small fund options ($m)



Rates

Under all options the Council would lose income from either the ground leases or airport shares which is currently used to offset rates (see each option for details).

The investment funds created with the sale proceeds of either the ground leases or airport shares have assumed expected returns of 7% (net of fund management fees and based on other comparable funds) and could be the same or greater than the lost revenue.

The Council could design the new investment fund to ensure it gets a return that matches any lost income to avoid any rates impact.

The final impact on rates of each option will be dependent on future Council decisions. However, for this document, we have assumed that the Council takes a return from the fund that matches lost revenue and that, as a result, there is no impact on rates.

In the case of the preferred option, we have shown two situations in Figure 5 - one where there is no rates impact and one where there would be an impact – to demonstrate the trade off between rates impact and fund value.

Any return taken by the Council would reduce the amount of the return reinvested in the fund and would limit its growth, which is a particular issue for a small fund (Option 1), but less of an issue for Option 2 (mid-sized fund) or Option 3 (large fund)).

Debt

The three options have different impacts and constraints on the Council's long-term capital spending programme and its ability to meet future community or infrastructure spending needs. The lower the debt to revenue ratio, the greater the constraint.

Even with the capital spending cuts proposed and the new debt ratio imposed, it will take time for actual borrowings to come under any new debt limit as the capital programme changes are across the full 10 years of the LTP. We are proposing to be under any new debt to revenue target by 2030/31 (Year 7 of the 2024 LTP).

Option 1
This option makes the biggest reduction in the debt to revenue ratio and relies on holding a large reserve of borrowing headroom. This means it has the highest constraint on current and future spending. To achieve the reduction to a 200% limit, we are proposing to cut $400m of our capital programme.

Under this option the Council also retains its airport shareholding, so it could be called on to contribute capital funding to support the airport's growth plans or to rebuild after a disaster. If we did not or could not contribute funding we would face the risk of the shareholding being diluted.

Option 2
This option has some constraints as it also reduces the ratio to 215%, however it proposes making $200m capital programme changes not $400m. The Council also remains an airport shareholder in this option so could be called on to contribute capital funding as outlined in Option

1. However, the size of the contribution required could be smaller than Option 1 if the Council had a smaller shareholding.

Option 3
This option retains the Council's current debt to revenue ratio at 225% so does not require changes in the capital programme to create additional debt headroom. This option has the least future constraint on the Council's capital programme because of the lower debt to revenue limit. The flexibility for spending remains in this option due to the sale of the Council's full airport shareholding.

Funds in a disaster

All options ensure liquid funds (readily accessible) would be available to the Council in the event of a natural disaster – the difference between the options is the source of those funds. Option 1 provides funds primarily through borrowing, Option 3 through a large investment fund which can be drawn down, and Option 2 a combination of borrowing and investment fund.

In distinguishing between Option 2 and Option 3, it is important to note that the Council will likely receive a lower value per share, if we sell a smaller shareholding, compared to the price per share that could be achieved selling the full shareholding. It will also be more difficult to successfully execute a sale of a partial shareholding as there would be less market interest in purchasing a partial shareholding. The value of the Council's remaining shareholding after sale would also be impacted.

Airport shares book value

The value in our financial statements for the airport shares was $278m at 30 June 2023, but the market value could be higher. The Council would undertake a full market valuation prior to beginning any sale process.

Based on currently available broker reports, we have assumed an estimate of $500m market valuation for the full shareholding and $8m to sell the shares and set up the fund. Importantly, this is a very preliminary value, and the actual market value will be based on many factors. Importantly, the size of the Council's shareholding being sold would be key driver of value.

Other work underway to manage the under-insurance gap

Underpinning all the options, is the Council's ongoing work on its insurance roadmap.

The focus of this work is to better understand the Council's insurance risk exposure and to explore options to reduce the size of the under-insurance gap, or constrain its growth, over time.

You can read the latest update about this work here Insurance Update - November 2024 and the background here Insurance Maturity Roadmap report

Option 1 – Large debt headroom and $68m investment fund (preferred)

This option relies on maintaining significant debt headroom so we can borrow money for response and recovery in the event of a disaster by lowering its debt to revenue ratio from 225% to 200% It will also establish a small investment fund by selling nine ground leases to further help mitigate our under-insurance risk and help with diversifying our investments.

To create the additional debt headroom, the Council would:

- **Debt limit:** reduce its current self-imposed debt to revenue ratio from 225% to 200%
- **Debt headroom:** hold debt headroom between the new 200% limit and the 280% Local Government Funding Authority borrowing limit. See notes on page X for more details.
- **Capital programme:** make $400m of reductions and changes to its capital spending programme over the next 10 years to ensure our planned spending is under the new 200% limit by Year 7 of the 2024 LTP.
- Projects included for stopping, delaying or changing are listed below. The details of these proposed cuts are set out in Appendix 1.
    - ☐ Begonia House demolition
    - ☐ Frank Kitt's Park redevelopment
    - ☐ Bond Store upgrade
    - ☐ Karori Events Centre
    - ☐ Suburban Town Centre upgrades
    - ☐ Te Awa Mapara upgrades
    - ☐ Minor works transport upgrades (retaining walls, drainage, tunnels, bridges and safer routes to schools)
    - ☐ Paneke Poneke Bike Network Plan
    - ☐ City Streets
    - ☐ Te Ngakau redevelopment
- Note that even with the capital spending cuts proposed and the new debt ratio imposed, it will take time for actual borrowings to come under the new debt limit as the changes are phased across the full 10 years of the LTP. We are expecting to be under the new 200% debt to revenue target by 2030/31.
- **$68m investment fund:** establish a small investment fund using the proceeds from a targeted list of nine ground lease sales, with an estimated value between $60m-$70m.

The leases proposed for sale are those for which the Council already has purchase offers or those where a sale could be easily negotiated.

Proceeds from future ground lease sales could also be transferred into the fund (if/when these were considered for sale).

Under this option, we have assumed sale proceeds of $68m – giving the fund a starting balance of $68m. We have assumed a starting date for the fund of 1 July 2026. Figure 4 on page X shows the growth of the fund for each option.

Option 2 – medium debt headroom and $250m–$314m investment fund

This option uses a mix of additional debt headroom and a medium-sized investment fund.

To create the additional debt headroom, the Council would:

- **Debt limit:** reduce our current self-imposed debt to revenue ratio from 225% to 215%.
- **Debt headroom:** hold debt headroom between the new 215% limit and the 280% LGFA borrowing limit. See notes for more details.
- **Capital programme:** make $200m changes to our capital spending programme over the next 10 years to ensure our planned spending is under the new 215% limit by Year 7 of the 2024 LTP. See notes on page X for more details.
- **Investment fund:** establish a medium sized investment fund through one of two ways as outlined here. Figure 4 on page X shows the growth of the fund for each option.
  - ☐ **$314m fund by a partial sale (50%) our airport shares plus selected ground leases**: assumes sale proceeds from the airport shares of $250m, based on a midrange valuation, with a $4m sale cost. Also includes $68m from the sale of nine ground leases as per Option 1. We have assumed the fund would be established by July 2026. The Council is likely to get a lower value per share if we sell a smaller shareholding instead of the full shareholding.
  - ☐ **$250m fund by selling the ground lease portfolio:** assumes sale proceeds of $200m to $250m from the ground lease portfolio. It would take about 3 years longer to establish the full fund compared to a partial sale of the airport shares, because the sale of all the ground leases would take longer than selling the airport shareholding.

We have estimated the fund could initially be established with the proceeds of nine ground leases by July 2026 and that it could take up to a further three years to sell the remaining ground leases.

Some key leases would be retained that have long-term strategic value.

Option 3 – Existing debt headroom and $560m investment fund

This option uses a mix of maintaining existing debt headroom and a large investment fund.

It is the option that was adopted as part of the 2024 LTP.

The Council would:

- **Debt limit:** retain our current self-imposed debt to revenue ratio of 225%.
- **Debt headroom:** hold debt headroom between the 225% limit and 280% LGFA borrowing limit.
- **Capital programme:** There are no changes proposed under this option as it assumes the Council's current self-imposed debt limit remains along with the current capital programme.
- **$560m investment fund:** establish a large investment fund by selling its full 34% airport shareholding, with assumed sale proceeds of $500m, based on a midrange valuation, with an $8m cost for the sale. Also includes $68m from the sale of nine ground leases as per Option 1. This would give the fund a starting value of $560m and the fund is assumed to be established by July 2026.

Figure 4 on page X shows the growth of the fund under various scenarios and options.

Appendix 1: Capital Programme Review

On 26 November 2024, the Mayor and Councillors met to vote on proposed changes to the capital programme. These are part of the key options outlined from pages X to X of this document and we now need your feedback.

No final decisions have been made on these projects.

National Land Transport Plan funding

In addition to the overall savings review, our Transport projects (page X to X) were impacted by a reduction in funding from the National Land Transport Plan (NLTP). New Zealand Transport Agency Waka Kotahi (NZTA) approves funding on a three-year cycle based on the Government's priorities. The funding approved for one period is not an indication of funding in the future.

To date NZTA has co-funded the majority of the Council's transport programme at a Funding Assistance Rate (FAR) of 51%. The 2024 LTP assumed that this would continue. However, the funding provided is dependent on the amount available nationally. Due to national funding constraints, the 2024-27 allocation was less than expected.

The total revenue loss for Years 1 to 3 is $68.2m ($63.2m capex and $5m opex).

Impact of the shortfall

Maintenance, Operations and Renewals (MOR)
In the 2024 LTP it was assumed that 80% of these programmes would receive 51% funding. NZTA has agreed to fund 83% of the programme for the 2024-27 period, an increase of $0.9m.

Low-Cost Low-Risk (LCLR)
In the 2024 LTP it was assumed, based on "normal" LCLR funding received, that 83% of these programmes would receive 51% funding. NZTA has declined to provide any funding in the 2024-27 period. This decision leaves a revenue shortfall of $24.3m for LCLR projects.

Improvements
In the 2024 LTP it was assumed, based on "normal" improvements funding, that 89% of these projects would receive 51% funding. NZTA agreed to fund only 46% of the projects to this level. This leaves a revenue shortfall of $35.8m over the 2024-27 period.

The projects that received funding from NZTA are:

- Chaytor Street wall strengthening project ($9.1m),
- Grosvenor Terrace wall strengthening ($2.8m at enhanced FAR of 76%), and
- Bike Network projects already underway ($9.6m).
- Golden Mile upgrades ($63.3m in capex and $1.3m in opex)
- Thorndon Quay upgrades ($26.3m)

Projects that have not received any funding from NZTA are:

- Central City Corridors Improvements – Harbour Quays ($44.4m) and Eastern corridor connections ($14.9m) joint bus priority projects 50/50 funded together with GWRC.
- New road – Mark Ave to Grenada North ($7.9m)
- Resilience Improvements – Aotea Quay Overbridge investigation ($0.6m) and Kelburn Viaduct seismic strengthening with investigation and design between year 1 to 3 of LTP ($0.5m)
- Bike Network Programme – Evans Bay Stage 2, Brooklyn and the next tranche of the programme - approximately 20 km of the strategic network to be delivered by end of year 3 ($39m).

Frank Kitts Park redevelopment

Proposal

Moderate level of change: Remove majority of funding and push out to Years 11+ but retain sufficient budget to support Fale Malae proposal.

Impact and risks

$54.5m currently in the programme, but $44m is the Council's share – the rest was targeted to come from the other partners (Garden of Beneficence and Fale Malae).

The proposal is to retain $3m in Years 1 to 3 for resource consent and preparations to demolish the carpark. This is needed to support the Fale Malae project.

We will also retain $5m in Year 5 for co-funding the demolition and landscaping the southern end of the park. The remaining projects will be rescaled down to $15m and this will be rephased into Years 11+.

Keeping the carpark open will generate revenue for the Council until demolition. The carpark needs to be closed and demolished for the Fale Malae and Garden to continue.

Financial Impact

- Total current project: $54.5m
- Proposal: Rephase and reduce funding.
- New project LTP total: $8.4m, plus $15m in Years 11+
- Saving: $46.1m

Wellington Zoo upgrades

Proposal

Moderate level of change: Rephase Savannah project to Years 11+

Impact and risks

The upgrades of the Lions habitat and Savannah habitats are planned for the second half of the LTP.

There is not enough space in the current habitat configuration to deliver the best animal welfare outcomes for lions and giraffes, and the Zoo is committed, due to ages and stages of the animals at the Zoo, to care for both species in the long-term.

The lions upgrade involves creating a new habitat in a nearby area and then moving them once construction is complete. This enables the zoo to care for them during construction and moving them to a new area makes space to expand the Savannah habitat.

This project was originally budgeted for $19.4m and through a value engineering exercise with quantity surveyors it was reduced to $12.6m to make savings in the adopted 2024 LTP. It is recommended that this project remain out of scope and continue as planned.

Expanding the Savannah habitat can be rephased into the outer years 11+ of the Long-term Plan to occur at a later time. This saves $1.2m in the LTP.

Financial Impact

- Total current project: $13.8m
- Proposal: Retain lions project, but defer Savannah project.
- New project LTP total: $12.6m, plus $1.2m in Years 11+
- Saving: $1.2m.

Begonia House

Proposal

High level of change: Demolish and landscape area

Impact and risks

The Begonia House at Wellington Botanic Garden ki Paekākā was opened in 1960. It is a conservatory and includes plants usually found in tropical countries.

The building has had extensive renovations across the years with new features added or upgraded, including for seismic purposes in 2013.

However, much of the Begonia House and supporting buildings' components are at the end of their serviceable life. This presents an increased risk to public and staff safety, particularly from the building's glazing system. The glazing system has had several failures with glass panes dislodging during high winds.

Renewals are also required to the heating, ventilation and air-conditioning system, public toilets, cafe and staff facilities.

More information about the facility, including the Indicative Business Case (IBC) and the recent condition assessment is available on our website: Begonia House - Projects - Wellington City Council. The IBC contains a detailed assessment of the options described here.

There is $8.1m currently in the budget for upgrades but it is insufficient due to the scale of the repairs needed.

The proposal is to proceed with Option A as per the IBC – demolish the buildings, with the IBC costing for this being $1m opex, noting that this estimate was not costed for the business case.

An estimate for demolition was completed in December 2024, which indicates costs of up to $5.6m, with any savings dependant on the approach to landscaping the site. This estimate includes the rebuilding of a cafe and public toilets.

The proposal has assumed that about $3m capex would be required to demolish and landscape the site to a lesser extent than provided for in the estimate above. The final design of the site after demolition will be determined if this proposal proceeds.

A demolition option will also incur asset impairment costs of up to $2.67m when we remove the asset from our accounts as an asset.

In addition to demolition, the IBC put forward five other options for consideration, from doing the minimum work required through to full remediation and additional expansion. These remediation options have been assessed against whether they maintain current operations as a conservatory while considering Council's current fiscal constraints.

Of the additional five options, the following are not being pursued as they either do not maintain current operations or are not fiscally prudent:

- **Option B Iconic Building:** this option repurposes the greenhouse as an events centre so does not maintain current operations;
- **Option D Partial Scope:** this option is a lower scope of work compared to Option E. It would enable current operations to be maintained but at a higher cost than Option C. This is therefore not fiscally prudent.
- **Option F Scope Plus:** this option goes beyond and is a higher capex cost than Option E's 'Meets Scope'. It also includes likely higher operating costs. It is the gold standard and is not fiscally prudent.

We are seeking your feedback on the following remaining options alongside demolition:

- **Option C Do minimum:** renewals are undertaken where possible, and some assets are demolished and replaced with temporary buildings for the continued operation of Begonia House. **Indicative costs:** between $9.9m and $11.0m.
- **Option E Meets scope:** create new staff facilities, toilets, glazing system, garden store, changing facility, driveway, café, kitchen, and seating area. Existing structures are demolished, upgrades made to the structure, greenhouse assets, HVAC system, and events area. **Indicative costs:** between $19.5m and $20.0m).

Financial Impact

- Total current project: $8.1m.

- Proposal: Demolish and landscape for $3m.
- New project LTP total: $3m
- Saving: $5.1m.

Venues upgrades

Proposal

High level of change: Stop the programme

Impact and risks

This budget is not currently tied to any specific project therefore there are minimal risks in this budget being removed. This budget was tagged to upgrades of the Opera House and TSB Arena, however those projects are now progressing through our wider review of our venues and any funding needs will be considered through the 2027 LTP.

Financial Impact

- Total current project: $13.2m
- Proposal: Remove all funding
- New project LTP total: $0m
- Saving: $13.2m

Bond Store upgrade

Proposal

Low level of change: Rephase to later in the Long-term Plan to free up debt headroom in the early years.

Impact and risks

The Bond Store building, home to Wellington Museum, received an Earthquake-Prone Building (EPB) notice in 2023.

We have a 2034 deadline for fixing the building (including a four-year extension which was passed by Parliament last year). We are required to take some action in this LTP period to meet the deadline.

The recent occupational assessment has stated the building can be occupied. But another occupancy safety review is required in 2027.

The project is scheduled to begin in 2025/26. The proposal is to rephase the upgrades to years 8-10, leaving $1.5m across Years 1 and 2 for targeted strengthening to improve health and safety outcomes.

Financial Impact

- Total current project: $20.5m
- Proposal: Rephase $19m to Years 8 to 10, with $1.5m remaining across Years 1 and 2.
- New project LTP total: $20.5m
- Saving: $0m overall, but funding moved to later in the LTP easing the debt to revenue ratio in the early years.

Karori Event Centre Fitout

Proposal

High level of change: Stop the project and

Impact and risks

This project is budgeted for the current financial year (2024/25). However, the project was unlikely to be completed this year and, after being included in this process, is now on hold until an LTP amendment decision is made following consultation.

The building was gifted to the Council by the Karori Community Hall Trust in 2022. However, the building is not yet able to be used. It requires significant work to achieve building code compliance including fire rating the north facade and flood protection work, and repairs as it has experienced significant damage from water ingress in the time since it was built.

The current cost estimate to achieve building code compliance for the building is $3.3m. This would be an extra $1.3m that what is in the 2024 LTP. More funding would also be required to complete the fitout to allow the building to open.

Weathertightness assessments have been carried out and the financial impact of remediating this is included in the $3.3m estimate.

More information about this project is available on our website at XXX.

The proposal is to stop the project and remove all funding from the LTP. The options included with this proposal outline the potential next steps. The Council is proposing to sell the building as is, meaning $1m can be removed from the LTP.

More than $1m was contributed to the Trust for the construction of the building by the community. If this proposal is progressed then advice will be provided to Council on how the share of funding to the project donated by the community can be allocated to another appropriate community facility or project in Karori.

Options for next steps include:

Option 1 Sell the site as-is (preferred)
This would involve running a process to identify a preferred purchaser for the site. We would ensure the Trust is provided an opportunity to put forward a tender.

The purchaser would be responsible for either completing the work required to use the building, or demolishing the building and replacing it with something else.

This option could mean the building remains in its current unused state while the purchaser works through the design and consent process.

Option 2 Demolition and remediation of the site
This would involve demolishing the current structure, removing all materials (recycling where possible) and returning the site to a bare state. This could provide an opportunity for community use of the site in the short-term, similar to the night and farmers markets held on the St John site throughout 2024. The cost of this option is approximately $300k.

Option 3 Demolition and remediation of the site, followed by sale
The Council would demolish and remediate the site, returning it to a bare state before the site is sold. The cost to demolish and remediate the site is approximately $300k but avoids the risk of the building remaining in its current state for longer than necessary.

It also provides an opportunity for community use of the space while a preferred developer is identified and the design and consent work is undertaken.

Option 4 Increase of capex budget to achieve building compliance
An increase in the capex budget of $1.3m would allow the work required to achieve building compliance to be undertaken. This would not include the cost of completing the fit out of the building to allow it to be opened and used by the community.

For example, the walls would not be painted, there would be no furniture or kitchen equipment, no heating or cooling, no security or network infrastructure and areas such as the backstage changing rooms would not be completed.

Financial Impact

- Total current project: $2m
- Proposal: Reduce funding and sell the building, with decision on community funding to be made.
- New project LTP total: $0m
- Saving: $2m

Te Awe Māpara

Proposal

Low level of change: Reduce by $10m in Years 8 and 9

Impact and risks

This programme is for the upgrades identified in Te Awe Māpara - the Community Facilities Plan, which guides how the Council provides and makes decisions about community facilities.

Investigations for what upgrades are needed are still being carried out so the funding is currently not tagged to any particular project.

The proposal is to decrease the funding in both Years 8 and 9 from $25.4m to $20.4m each year. This takes the budget from $113.1m to $103.1m over the 10 years of the LTP.

Financial Impact

- Total current project: $113.1m
- Proposal: Reduce funding by $10m in Years 8 and 9 of the plan
- New project LTP total: $103.1m
- Saving: $10m

Suburban town centres

Proposal

Low level of change: rephase the programme into Years 4 and 8.

Impact and risks

Many of the city's suburban centres have not been upgraded for more than 25 years and are near the end of their useful life (e.g. poor lighting and amenities).

The current LTP has $11m allocated for upgrading one centre every two years. The proposal is to retain the current budget but merge it into two years - $5.5m in Years 4 and 8.

This removes funding from the first three years of the plan where the debt to revenue ratio is the highest and savings are needed, The funding remains for the work to occur in the same time period.

Financial Impact

- Total current project: $11m
- Proposal: Rephase the programme into Years 4 and 8.
- New project LTP total: $11m
- Saving: $0m, funding moved to reduce debt to revenue ratio in early years

Te Ngākau redevelopment

Proposal

Moderate level of change: rescope the programme from $203.3m to $113.9m.

Impact and risks

This budget is a future provision for the earthquake-prone buildings in the Te Ngākau Civic Square precinct.

It is recommended to remove all of the budget not currently allocated to set projects. This is $89m in Years 5, 8, 9 and 10.

We have an earthquake-prone building notice deadline for the Michael Fowler Centre (MFC) building of 2034 (with a four-year extension which was passed through Parliament in 2024). We are required to take some action within this LTP period to meet the deadline.

Therefore, it is proposed to increase the Years 6 and 7 budgets by $2.4m to provide for a bare minimum level of funding that would enable potential demolition of the MFC. These budgets go from $22.1m, and $22.6m to $23.4m and $23.8m respectively.

This does not constitute a decision to demolish the building and that is not being made as part of this LTP amendment. The future of the MFC will need to be informed by investigative work and the venues strategy that will be consulted on at a future date.

Financial Impact

- Total current project: $203.3m
- Proposal: remove funding not tagged to specific projects.
- New project LTP total: $113.9m
- Saving: $89.4m

Low-cost, low-risk transport projects

Proposal

- Low level of change: Neutralise NLTP funding and rescope and/or rephase projects to make overall savings.

Impact and risks

Due to the financial position of the Council, it proposes to neutralise the impact of the lost NLTP funding (see page X). This means finding savings of about $130m across the LTP, plus further savings for the capital review.

The NLTP impact is across three years, however some of the budgets for Year 1 (2024/25) were already committed (for projects already underway or started in the first months of the year). This means the majority of the savings are targeted to be made across the rest of the LTP.

The programme budgets in this area have a revenue loss of $22m. It is proposed to make $Xm of savings across the LTP.

The proposal for the following programmes is to rephased funding into later years or reduce the annual budget to only fund projects already confirmed.

- **Retaining wall upgrades:** Total project: $58.9m. Proposal: Reduce the programme to make $26.7m of savings.
- **Minor Works Upgrades**: Total project: $23.9m. Proposal: rescope the programme to make $9.6m savings.
- **Drainage upgrades**: Total project: $4.4m. proposal: rephase programme to make $2.6m savings.
- **Bridge Improvements:** Total project: $13.2m. Proposal: reduce programme to make $4m savings.
- **Tunnels Upgrades:** Total project: $3.7m. Proposal: rephase programme to make $2.3m savings.
- **Retaining Wall Resilience Upgrades:** Total project: $23.7m. Proposal: reduce programme to make $4.8m savings.
- **Rural Road Upgrades:** Total project: $1.1m. Proposal: reduce programme to make $531k savings.
- **LED Street Light Transition:** Total project: $4.2m. Proposal: reduce programme to make $2.8m savings.
- **Parking Upgrades and Parking Management Plan:** Total project: $5m. Proposal: rephase and reduce programme to make $1.6m savings.
- **Bus Priority Improvements:** Total project: $1.6m. Proposal: reduce programme to make $1.1m savings.
- **Footpaths Structures Upgrades:** Total project: $3.9m. Proposal: reduce programme to make $1.2m savings.
- **Safer Routes to Schools:** Total project: $5.5m. Proposal: reduce overall budget across the 10 years to make $454k savings.
- Other changes:
    - ☐ **Build Back Better:** Total project: 10.6m. High level of change proposed, with budget to be removed across the remaining LTP to make $10.1m of savings.
    - ☐ **Speed Management Upgrades:** Total project: $2m. The proposal is to increase this budget due to new legislative requirements. This is for the installation of 137 electronic signs to indicate school zones, plus an additional 132 static signs. This enables variable speed limits around schools. The new budget will be $4.8m in Y1 and Y2 with no further budget in the remaining years.

Financial Impact

- Total current programmes: $164.5m
- Proposal: rephased funding into later years or reduce the annual budget to only fund projects already confirmed. Some programmes have also been stopped.
- New project LTP total: $96.7m
- Savings: $67.8m

Paneke Pōneke bike network plan

Proposal

Moderate level of change: Neutralise NLTP funding and rescale and rephase over the full LTP and into Years 11+.

Impact and risks

The capital programme review is proposing to change the delivery timeframe for the Bike Network Plan from 10 years to 20 years.

In the 2021 LTP the decision was made to accelerate the delivery of our cycle network infrastructure and the Paneke Pōneke Bike Network Plan was adopted in March 2022.

Paneke Pōneke is a guide for the Council to build a safer, connected bike network. It can be found here: Bike-Network-Plan-Final-June-2022.pdf

The plan is for 92km of primary network and 74km of secondary network.

- The Primary network connects town centres to the city or between suburbs and connects people to key locations of employment and education.
- The Secondary network provides the collector function within the network, joining local streets and roads to the primary cycle routes.

As of July 2021, 23km of the network was in place and by June 2025 the Council will have another 28km either completed or under construction.

The 2024 LTP allocated $106.9m to deliver most of the rest of the programme over 10-years. This was a reduced cost of about $66m from the 2021 LTP due to shifting from the current “temporary followed by permanent” approach to a “hybrid” approach, maintaining the same momentum but at a reduced cost through fewer major civil works and using more above ground permanent materials.

However, the capital programme review proposal is to now push out the completion of the programme to 20-years.

- Complete the Primary Network only over 10-years ($51.07m for Cycleways upgrades and $5.11m for Cycleways Minor Works). This option will finish what has been started, including Evans Bay and the Brooklyn to City Project and start and complete the remaining primary network (17.6 km).
- Complete the Secondary network in Years 11+ of the plan. $77.4m

The $44.3m of savings in the proposal includes mitigating the Government’s lower funding assistance for this area in the National Land Transport Fund for the next three-years ($1.7m loss from Cycleways Minor Works and $20.2m loss from Cycleways).

Other options include:

- **10 years:** Continue to deliver most of the programme to a 10-year timeline. This would involve increasing the budget back to $106.9m and absorbing the extra costs from the lost Government funding. Total cost: $106.9m ($95.89m for Cycleways upgrades and $10.9m for Cycleways Minor Works). Saving compared to 2024 LTP: $0m
- **Finish what’s started:** The Council would finish projects which have been approved and are either under construction or in pre-implementation, for example the last part of Evans Bay cycleway. Additional funding of $7.4m would be allocated across years 4-10 for maintenance on the in-place transitional materials and to fix some missing links between already installed routes. It would not complete the last of the primary network. Total cost: $36.5m ($34.9m for Cycleways upgrades and $1.6m for Cycleways Minor Works). Saving compared to 2024 LTP: $63.5m

Financial Impact

- Total current programmes: $106.9m
- Proposal: Offset the NLTP funding loss and rescale and rephase over the full LTP and into Years 11+.
- New project LTP total: $63.5m ($58.4m Cycleways and $5.1m Cycleways Minor Works)
- Savings: $44.3m ($40.7m from Cycleways and $3.6m from Cycleways Minor Works)

City Streets projects

Proposal

- Low level of change: Neutralise NLTP funding and rescope project to make overall savings.

Impact and risks

- The full LTP budget is $165.1m and is split in the projects below, plus unallocated spend in Years 4 to 10.
- It is recommended to remove the $85m budget not allocated to set projects. This will mean no additional funding for any additional key arterial routes in next 10 years other than for the projects below. This is part funded by GWRC so the Council share of this is $52.3m
- **Harbour Quays Corridor Bus Priority Upgrades:** The proposal is to rescope this to a reduced deliverable and rephase it to occur in Years 1 to 3. This will just provide funding for the interim changes, but not for permanent ones. This is consistent with the Bike Network approach. This reduces the project from $51.6m to $10m, to mitigate the Government's lower funding assistance for this area in the National Land Transport Fund for the next three-years but retains 50% cost share funding from GWRC.
- **Eastern Corridor Bus Priority Upgrades:** The proposal is to rescope this to a reduced deliverable and rephase it to occur in Years 1 to 3. Funding will be removed for the bike, pedestrian and place improvements in the original scope, and instead the Council will only provide targeted public transport improvements instead of ones across the whole corridor. This reduces the project from $16.5m to $6m, to mitigate the Government's lower funding assistance for this area in the National Land Transport Fund for the next three-years but retains 50% cost share funding from GWRC.
- **Central City Upgrades - walking and cycling:** This is for the Central City cross-city cycleway connection, and pedestrian improvements on Dixon St and Cuba St. The proposal is to continue with the cycleway connection, rephase the Dixon St project to align with the Golden Mile upgrade and rephase Cuba St upgrades to Year 2. This project remains at $18.5m but is phased differently across the LTP.

Financial Impact

- Total current programmes: $165.1m
- Proposal: Neutralise NLTP funding loss and rescale and rephase, including removing unallocated funding.
- Savings: $130.6m ($77.3m when accounting for the GWRC part funding.)

Tō te Kaitātari Kaute Whakaaro Independent Auditor's Opinion

Wāhanga 2: to come

Section 2: 2025/26 Annual Plan details

Kei tēnei wāhanga | In this section

To come

This section explains our 2025/26 annual budget and outlines the impact on your rates and the Council's debt for the year. The 2025/26 year is based on what we proposed for Year 2 of our 2024 Long-term Plan.

Introduction

Alongside the Long-term Plan amendment, we are seeking community feedback on several other smaller changes as part of our Annual Plan update.

These changes include:

- Establishing a new reserve on Miramar Peninsula
- Introducing charging commercial rates for short term accommodation providers
- Parklet fee structure changes
- Other changes to fee and user charges

Other information provided in this section includes the 2025/26 rates increase, information about the latest property valuation changes, our work programme for the year and other key financial information.

What is the plan for the year?

Key proposal

We are seeking feedback on one specific project as part of this Annual Plan.

Mātai Moana Reserve

Mātai Moana, located near the entrance of Te Whanganui-a-Tara (Wellington Harbour) is a crown owned 74 hectare block of land at the northern end of Te Motu Kairangi (Miramar Peninsula, also known as Watts Peninsula). It is a historically, culturally and ecologically significant part of the city.

Historically, the land was occupied by Māori for pā, kāinga (villages) and mahinga kai (food gathering areas), as well as early European farming settlements and military landmarks. Today, Taranaki Whānui ki te Upoko o te Ika are the guardians of Motu Kairangi, which they regard as a tūpuna (ancestor).

The Crown owns the land and proposes to vest the land to the Department of Conservation as a reserve. The proposal we are seeking feedback on is whether the Council has a role in the management of that land.

The vision is to establish Mātai Moana as a heritage and recreation reserve under the Reserves Act 1977 for the people of Wellington and New Zealand.

Taranaki Whanui, with the Crown, has developed a proposal for the joint management of the reserve and as such is inviting the Council to be partner in that joint management.

The proposal for this area to be a reserve has been progressing for several years. In 2018, the Council agreed in principle to control and manage a reserve and to work with iwi on the area. The Council allocated $750,000 annually to support the operational and maintenance costs of Mātai Moana as a reserve.

Reserve management

As part of this Annual Plan, the Council is proposing options for management of the reserve.

Option 1: Taranaki Whānui and Council joint management (preferred)

The proposal is that Taranaki Whānui would manage the reserve jointly with Wellington City Council, to protect and restore its unique cultural and environmental values, while creating opportunities for public use, and recreational benefits for future generations to enjoy.

This option and the $750,000 operation funding will support:

- Preserving the culturally significant sites, such as wāhi tapu and pā, and historic structures like Fort Ballance.
- Restoring ecological features and improving biodiversity through native planting and pest management.
- Creating a safe public access and recreational opportunities, including pathways, signage, and community spaces.
- Meeting statutory requirements under the Reserves Act 1977, including developing a management plan within five years.
- enabling the Council and Taranaki Whānui to safeguard a site of regional and national significance.

This approach aligns with the Council’s previous 2018 resolution on the reserve, and the Council's long-term commitment to honouring Tākai Here, and to support mana whenua aspirations

This would occur through the Department of Conservation establishing a new management Trust for the reserve.

The Council’s annual $750,000 funding will cover operational and maintenance expenses of the site, including ecological restoration, heritage site upkeep, and public access improvements. This is included as proposed in the 2024/25 budget.

As landowner the Crown holds responsibility for addressing the earthquake prone buildings.

A further $2.5m from the Plimmer Trust has been allocated to support the reserve development.

Option 2: No joint management agreement
In this option the Council would not jointly manage the Matai Moana Reserve and the site would subsequently not be vested as a reserve.

Taranaki Whānui and the Crown will continue discussions on the future of the land without the Council's input.

With this option the Council will save $750,000 per year in operational expenditure. Removing the funding from the budget would be result in a 0.1%reduction in the 2025/26 rates increase.

Key projects

Alongside the significant LTP amendment issues already outlined in Section 1, we have a full programme of projects planned across all areas. Many are already underway, have been consulted on, decided on by Council or were included as part of the 2024 Long-term Plan. All those impacted by the Long-term Plan amendment are detailed in Appendix 1.

Our plans are organised into seven activity areas, and included here is a snapshot of our plan for 2025/26.

Governance

This area includes our work on providing information, consultation and decision-making, and our engagement with Māori residents and our mana whenua partners.

This year we will be preparing for the local election, which will be held in October 2025. Local elections are held every three years. We will also be holding a referendum on retaining our Māori Ward.

Environment and Infrastructure

This area includes the Wellington Gardens, beaches, green open spaces, water, wastewater, waste reduction and energy conservation, environmental conservation attractions and the quarry.

Key projects include continuing the construction of the sludge minimisation facility, which will help reduce and manage sludge while lowering landfill waste to meet waste and carbon reduction targets.

Work on the Southern Landfill extension will also continue, with completion expected by 2026. Additionally, we are progressing an urban greening programme in the central city as part the Green Network Plan.

Economic Development

This area includes our work on economic activities, city promotions, events and attractions, and business support.

We will continue working towards the action plans outlined in the Economic Wellbeing Strategy, which aims to build a resilient, innovative, and low-carbon circular economy that creates opportunities for all while protecting and regenerating the environment

Cultural Wellbeing

Our work in this area includes galleries and museums, community arts and cultural support, and arts partnerships. We are putting in place a new way of operating Toi Pōneke, including upgrading the facilities to better support how it runs.

Social and Recreation

In this area we have our libraries, pools, recreation facilities and programmes, playgrounds, public health and safety, public toilets, cemeteries, social housing, and community support.

Key projects include the degasification of our swimming pools, starting with Tawa Pools, and planning for the Wellington Regional Aquatic Centre. Construction of the Grenada North Community Sports Hub will enhance the usability, accessibility, and utilization of sports fields and other facilities. The seismic strengthening and refurbishment of Te Matapihi Central Library is expected to be completed and open to the public in February 2026.

Urban Development

Our urban development area covers urban planning and policy, heritage, and character protection, building control and facilitation, development control and facilitation, earthquake risk mitigation and public spaces development

Key projects include the completion of the Town Hall, scheduled for 2028, and the 44 Frederick Street Park, which is expected to be completed and opened in September 2026. Additionally, we will continue installing improved lighting to enhance safety along the waterfront, with a focus on non-wharf areas.

Transport

This area covers our entire transport network, and our parking operations. This includes transport planning and policy, maintenance, renewal and upgrades of our transport networks and parking enforcement.

Key projects include completing the Thorndon Quay and Hutt Road multimodal and safety upgrade, continue with stage 2 of the Cycleway Evans Bay Parade, and begin earthquake strengthening of retaining wall supporting a section of Northland Tunnel Road on one end and Raroa Crescent.

What does this plan mean for me?

What are rates for, and why are they important?

In the same way, our national taxes contribute to the running of the country, Council rates are important to ensure Wellington continues to function.

We set our rates based on the needs of the community, demand for services and affordability in rates. Your money helps us deliver more than 400 day-to-day services and pay for the borrowings used to fund big capital projects across Wellington.

Some of the services and facilities that Wellingtonians receive through their rates include[1]:

416 **litres of drinkable water supplied per resident per day[2]**	**110,105** **native plants planted with the community**	**169,628** **calls answered by our Contact Centre staff**
827km **stormwater pipes**	**2m** **physical items borrowed from our 13 libraries**	**204 sqm** **open space per Wellingtonian**
1,085km **wastewater pipes**	**391km** **walking and biking tracks**	**107** **play areas**
995km **footpaths**	**803,971** **resources in City Archives**	**18,828** **streetlights operated**

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[1] **Wellington City Council, 2023/24 Annual Report**

[2] **Not all of this water is used in a resident's home. Other users include industry, businesses, schools, hospitals, the fire service and councils**

What is the plan for rates?

202,689

Wellington city residents

82,664

Total properties that pay rates

52:48

Ratio of the general rate collected from base and commercial ratepayers

This year we are considering a rates increase after growth in the ratepayer base of **12.5 percent,** plus **1.4 percent** for the sludge levy, meaning a total of **13.8 percent.**

This is slightly above the 12.8% forecast for the year in the 2024 Long-term Plan. In total, the council proposes to collect $638m (GST exclusive) of rates during 2025/26.

This increase is driven by the investment in the city's infrastructure and services signalled in the 2024 LTP, and the impact of increased inflation, borrowing costs, and depreciation.

Council has considered alternative funding mechanisms to absorb some inflationary impacts, and keep rates increases to levels previously signalled. This has resulted in a decision to not fully fund some depreciation increases and to debt fund water reform transition costs.

Sludge Levy

In July 2024, the Council began collecting a new sludge levy to fund the cost of the new Moa Point Sludge Minimisation Facility, on behalf of Crown Infrastructure Partners. This was approved under the Infrastructure Funding and Finance Act 2020 (IFFA). We consulted on this option through the 2021 Long-term Plan and received support from the New Zealand Government (Cabinet and the Minister of Housing) in August 2023.

The amount of the sludge levy is dependent on whether the property is classified as commercial or residential and where its wastewater is treated. The following examples outline the indicative sludge evy for 2025/26 for a property with a Capital Value of $1 million:

- Levy for commercial property with wastewater treated at Moa Point, Karori or the new Sludge Minimisation Facility: $253.06
- Levy for residential property with wastewater treated at Moa Point, Karori or the new Sludge Minimisation Facility: $172.94
- Levy for commercial property with wastewater not being treated in one of the above plants or not connected: $63.29
- Levy for residential property with wastewater not being treated in one of the above plants or not connected: $45.61

Options for paying rates

There are several ways to help manage rates payments, such as spreading payments into regular amounts across the year.

Along with Central Government, we have a rates rebate scheme that provides a reduction in rates to those that meet set low-income criteria.

- if you are on a low income, you can apply for a Government rates rebate at: govt.nz/rates-rebate
- for those who are eligible for the Government rates rebate, Council can provide an additional reduction of your rates and we are proposing changes in this area.
- If you are worried about paying your rates invoice, please get in touch with us as soon as possible at rates@wcc.govt.nz or call 04 499 4444.
- There are multiple ways to pay rates: online, by direct debit, internet/telephone banking and in person at any NZ Post shop.

Revaluations and rates

Every three years, the Council updates its records of city property values to reflect current values, and 2024/25 is a revaluation year.

This means that the share of rates each ratepayer contributes is recalculated based on updated property values. Revaluations do not change how much rates we collect in dollar terms, but the share each rate payer contributes.

The total dollar value we collect is based on our plans and costs for the year as outlined in the Operating Budget section on page X.

The current revaluation resulted in an overall, city-wide, decrease in value for all properties. Some properties will have values that decrease more than the city average and some will have values that decrease less than the city average.

Therefore, while the rates increase is forecast to be an average of 12.5 percent, ratepayers whose properties have decreased in value less than the city average will have higher percentage rates increase. Equally, ratepayers whose properties have decreased by more than the city average will see lower percentage rates increase. The exact rates change for each ratepayer will vary depending on their individual circumstances.

Revaluations impact commercial properties differently than residential, and as a result can impact the share of rates that each sector funds. In particular, this year's revaluation saw commercial utilities (including our own, which makes up the majority in this group) increased substantially in value. As a result, the commercial sector's general rates contribution will increase to 48%. This increase in commercial sector contribution, however, does not mean that other commercial businesses will pay more, but rather reflects the increased rates collection from our own utilities.

Rates differential

General rates are calculated using a differential rating system that is based on land use. Currently, the general rates differential applied to commercial rating units is 3.70, while vacant properties and derelict buildings are rated at 5.00 the general rate. We do not propose any adjustments to this differential due to the 2024-25 revaluation.

Maintaining the current differential means that the commercial general rates share will increase from currently 44% to 48%. This is driven by our own utilities, which are rated commercially, paying substantially more in rates.

The reason is that utilities have increased in capital values as a result of the 2024-25 revaluation, which counters the overall city-wide trend.

As it's our own properties accounting for the increased commercial rates contribution, we are not proposing to change the existing commercial rates differential.

Ngā panonitanga ki te Kaupapa Here ā-Rēti

Changes to Rating Policy

This Annual Plan we are making one change to our Rating Policy. This impacts how and who we charge rates.

Short-term accommodation

The city's short-stay accommodation sector (properties rented or available to rent for periods of less than one month) provides an effective alternative to motels and hotels, and adds capacity when major events are held in Wellington. This accommodation is most often provided through peer-to-peer platforms such as Airbnb or Bookabach.

Currently, most short-term accommodation providers pay residential rates, even though some should pay commercial rates. We have a self-reporting process in place for providers, which however is not effective.

The reason for this is likely both a lack of clarity in our current policy, as well as a lack of active monitoring. As a remedy, we propose the following:

- **Clearer Guidelines:** Commercial rates will apply to any rating unit used for short-term accommodation, defined as the renting or availability to rent for less than one month and where the rating unit is or has been available to rent for more than 60 days in the financial year. The updated guidelines have been added to our Rating Policy.
- **Active Monitoring**: Identify and encourage providers to be compliant with the rating policy through methods such as setting up an online register, cross-referencing online booking sites, working with body corporates, and information provided by ratepayers.

As a first step in identification, we will set up an online register to make it easier for short term accommodation providers to register.

This aims to encourage short-term accommodation providers to "do the right thing" and can be supported by an information campaign by Council (on website, as part of the rates bill, etc). In addition to this, we will match posted advertisements for short term accommodation with our rating info database and other databases council maintains.

We are aware that identifying short term accommodation providers is challenging, and resource intensive. Despite the active monitoring we will not be able to identify a large amount of short-term accommodation providers that should pay commercial rates under the revised policy.

However, we believe that our approach is the right thing from a policy perspective, and it will be rates neutral. We have planned for identification and implementation costs of $100,000.

These costs will be recovered from applying the revised rating policies for short term accommodation providers and will not increase rates for other ratepayers. The changes to the short-term accommodation provider policy are set to be implemented for the 2026/27 rating year.

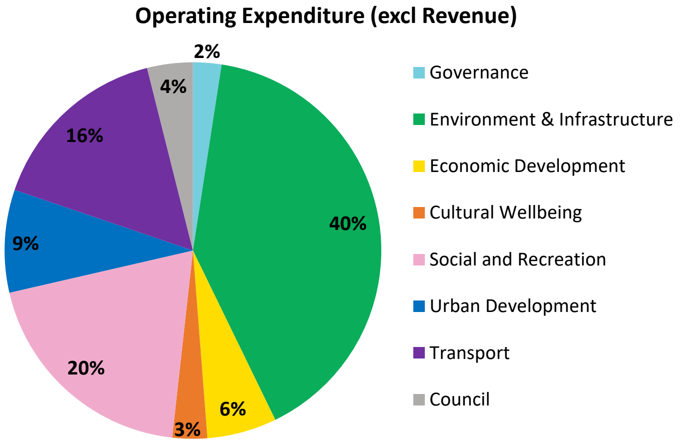
Te reo to come

Budgets for the year

Draft Operating budget

The cost of delivering and running Council services in 2025/26 is budgeted to be $1b or $12.58 per resident per day. This is an $48.5m increase from what was set for Year 2 of the 2024 Long-term Plan, which primarily relates to increased utilities, increased funding for Wellington Water Limited, and depreciation costs.

The proposed split for our budget across our eight activity areas is as follows:



Changes to Fees and User Charges

Our Revenue and Financing policy guides our decisions on how to fund council services. We consider who benefits from a service (for example, individuals, parts of the community or the community as a whole) to help determine how the service should be funded.

The policy also sets the targets for each council activity, stating what proportion should be funded from user charges, general rates, targets rates and other sources of income.

As part of the proposed 2025/26 Annual Plan, we have reviewed our fees and charges and are proposing some changes:

The following area has a **material change** because of changes to existing Council policies or implementation of new policies.:

Public health regulation – Parklet fees

We have revised the existing parklet fee structure, which now follows the same two-tiered fee structure (flat fee plus square meter charge) as fees for other pavement provisions.

The new two-tiered fee structure was agreed upon in the 17 December Kōrau Tōtōpū | Long Term Plan Committee meeting.

For 2025/26 the flat fee is $240.50 for new applications or $120.50 for renewals of existing permissions.

The lease fees per square metre charge is $115.50 per sqm in the inner city and $74.50 in the outer suburbs.

Above inflation

We are proposing fee increases above inflation for the following areas due to changes to existing council policies and raising costs for service provisions:

- Public health regulation – Increase in alcohol licencing fees, following bylaw change
- Development control and facilitation – Increased officer's hours included in consent fees. This is a partially refundable fee.
- Waste minimisation services – increased Waste Minimisation Act levy

New fees

We are also proposing new fees in the following areas to streamline some Council booking processes or to offer new services:

- Sports fields – including new fees for premier Field & Changing Room and use of outdoor training lights
- Waterfront – new fees for Container placement and commercial filming
- Recreation Centre – new fee for Pickleball Paddle Hire.
- Marinas – New fee for storage of abandoned boats
- Building Control & facilitation – New fee for assessment of alternative plans and specifications.
- Parks & Reserves – new fee for Ecology officer

Inflation adjustments

We also have standard inflation increases proposed for the following areas:

- Wellington Gardens
- Parks & Reserves
- Waterfront
- Swimming pools
- Recreation centres
- Sports fields
- Marinas
- Cemetries
- Public health regulations
- Building control and facilitation
- Development control and facilitation
- Waste minimisation

More detail on the proposed fees can be found on our website: letstalk.wellington.govt.nz

You can provide feedback on the fee increases through the Annual Plan submission form.

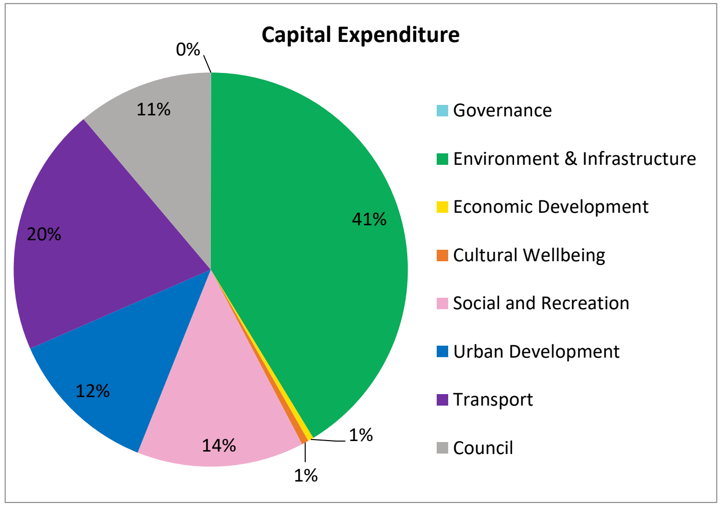
Draft Capital budget

Capital expenditure is used to renew or upgrade existing assets or to build new assets to provide a higher level of service or account for growth. Our assets include buildings, roads and footpaths, water, stormwater and wastewater pipes, libraries, swimming pools, and sportsfields.

We have a significant capital expenditure programme in place, with $616m planned for 2025/26 (this includes $151m for the Sludge Minimisation Facility project funded by the IFFAA). This year, our programme includes significant investment in our water, stormwater, wastewater and transport networks, and construction projects such as finishing the construction of the city's new Te Matapihi Central Library.

However, our final capital budget for the year will be dependent on decisions made on the 2024 LTP amendment and the changes to projects outlined in Appendix 1 on page X. The Annual Plan has been built based on the Council's preferred option for the amendment which includes $400m of capital expenditure changes across the 10 years of the 2024 LTP.

The total proposed for this year is a decrease in what was included in the 2024 LTP ($642m). The variance primarily relates to the refinement of project costs and the removal or rephasing of some projects as part of the LTP amendment.



Explaining our borrowing

We borrow to fund upgrades to our assets or to invest in new infrastructure. This allows us to spread the cost of funding this expenditure over the multiple generations that will benefit from the investment.

For 2025/26, total borrowings are forecast to increase by $332m over the year. Borrowing is forecast to be $2.2b at the end of the year. This compares to the LTP year two forecast of $2.2b and reflects the changes in the capital programme.

LTP links and debt-revenue graphs?

Wāhanga 3: to come

Section 3: Local Water Done Well reforms

Kei tēnei wāhanga | In this section

To come.

This section includes the three options we are consulting on when it comes to the delivery of water services in Wellington. You can learn more about how water works in the region currently and compare the three proposed options to help inform your submission.

Ngā Kaikaunihera | Your Councillors

Wellington City Council is made up of 15 councillors and a Mayor. Like all other local authorities in New Zealand, the Council is elected every three years.

The Mayor is elected "at large", meaning by all the city's residents. Councillors are elected by voters from their respective geographical areas (wards).

The last election was on 8 October 2022, with a by-election on 17 February 2024 in the Lambton Ward.

We also have two pouiwi representatives from our mana whenua partners who sit on our Council committees.

Mayor Tory Whanau
Elected: 2022

Chair: Te Kaunihera o Pōneke | Wellington City Council, and Ngutu Taki | CEO Performance Review Committee

mayor@wcc.govt.nz

Deputy Mayor Laurie Foon
Paekawakawa Southern Ward
Elected: 2019

Deputy Chair: Te Kaunihera o Pōneke | Council and Unaunahi Ngaio | Chief Executive Performance Review Committee

laurie.foon@wcc.govt.nz

Councillor Nureddin Abdurahman
Paekawakawa Southern Ward
Elected: 2022

Deputy Chair: Kōrau Mātinitini | Social, Cultural, and Economic Committee

nureddin.abdurahman@wcc.govt.nz

Councillor John Apanowicz
Takapū Northern Ward
Elected: 2022

Deputy Chair: Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee

john.apanowicz@wcc.govt.nz

Councillor Tim Brown
Motukairangi Eastern Ward
Elected: 2022

Chair: Kōrau Tūāpapa | Environment and Infrastructure Committee

tim.brown@wcc.govt.nz

Councillor Diane Calvert
Wharangi Onslow-Western Ward
Elected: 2016

diane.calvert@wcc.govt.nz

Councillor Ray Chung
Wharangi Onslow-Western Ward
Elected: 2022

ray.chung@wcc.govt.nz

Sarah Free
Motukairangi Eastern Ward
Elected: 2013, and served as Deputy Mayor 2019–2022

Chair: Koata Hātepe | Regulatory Processes Committee

sarah.free@wcc.govt.nz

Councillor Rebecca Matthews
Wharangi Onslow-Western Ward
Elected: 2019

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

Deputy Chair: Kōrau Tūāpapa | Environment and Infrastructure Committee

rebecca.matthews@wcc.govt.nz

Councillor Ben McNulty
Takapū Northern Ward
Elected: 2022

Deputy Chair: Koata Hātepe | Regulatory Processes Committee

ben.mcnulty@wcc.govt.nz

Councillor Teri O'Neill
Motukairangi Eastern Ward
Elected: 2019

Chair: Kōrau Mātinitini | Social, Cultural, and Economic Committee

teri.oneill@wcc.govt.nz

Councillor Iona Pannett
Pukehīnau Lambton Ward
Elected: 2007

iona.pannett@wcc.govt.nz

Councillor Geordie Rogers
Pukehīnau Lambton Ward
Elected: 2024 (by-election)

geordie.rogers@wcc.govt.nz

Councillor Tony Randle
Takapū Northern Ward

Elected: 2022

Deputy Chair: Unaunahi Māhirahira | Audit and Risk Committee

tony.randle@wcc.govt.nz

Councillor Nīkau Wi Neera
Te Whanganui-a-Tara Māori Ward
Elected: 2022

Chair: Pītau Pūmanawa | Grants Subcommittee

nikau.wineera@wcc.govt.nz

Councillor Nicola Young
Pukehīnau/Lambton Ward
Elected: 2013

Deputy Chair: Pītau Pūmanawa | Grants Subcommittee

nicola.young@wcc.govt.nz

Holden Hohaia
Pouiwi / Mana Whenua Representative

Contact: holden.hohaia@wcc.govt.nz

Liz Kelly
Pouiwi / Mana Whenua Representative

Contact: liz.kelly@wcc.govt.nz

Kuputaka
Glossary

To come

Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

Financial Strategy

Draft

2024-34 Long-term Plan Amendment

Contents

Introduction

The Council's financial and infrastructure strategies are the main foundations for the long-term plan (LTP). The strategies are interdependent in that they together:

- tell a story about the levels of service that are planned, the required infrastructure investment, and the associated costs;
- specify the funding and investment boundaries and/or financial trade-offs in advancing the Council's outcomes, priorities, and proposed levels of service; and
- identify and guide the management of any financial risks to service delivery and the financial health of the Council.

Both strategies respond to the strategic challenges, issues and expectations faced by the city.

This Financial Strategy outlines our overall approach to managing the Council's finances over the next ten years. It provides guidance to manage financial risk, and it explains the effect of spending decisions and funding choices on levels of service, rates, debt, and investments. In the meantime, the funding options available to the Council are limited. We must make careful decisions about what we invest in and when, to provide the required service in the most cost-effective way. We must also ensure that those generations that benefit from the services we provide are the ones that pay for those services.

This strategy also sets the limits (e.g., rates, debt) within which the Council proposes to manage its finances over the life of the LTP.

The Council is committed to responding to the needs of the community in an affordable way as well as funding long-term projects to support its vision: *Poneke: A creative capital where people and nature thrive*. However, the Council faces significant demand for increased investment in its infrastructure while investment capacity is reducing. We must also ensure that those generations that benefit from the services we provide are the ones that pay for those services.

Part 1 - Our investment capacity and infrastructure demands

The biggest challenge for the Council is that our investment capacity is reducing but our infrastructure demands are increasing faster than our ability to fund the required work. Key contributors to this are outlined below.

Investing in the City

The 2021 LTP established a 2040 vision for the City to be 'an inclusive, sustainable and creative capital for people to live work and play'. The 2024 LTP broadly continues this ambitious vision by investing in significantly improving services and infrastructure. We must also focus on accommodating expected growth[1]. We are a compact City, and our district plan looks to accommodate this growth by intensifying existing residential areas. This may see an increase in mixed use properties (e.g., both commercial and residential). We expect no other significant changes in land use. There are minimal operating costs associated with growth and land use change. Capital cost implications are detailed below.

To meet our vision, over the last two LTPs the Council has made strategic decisions to invest in many projects, including core infrastructure, the new build of the Tākina Convention Centre, and reinstating earthquake prone buildings such as the strengthening and modernisation of Te Matapihi Central Library and the upgrade of the Town Hall. This has been funded by taking on additional debt, which has resulted in the Council's debt more than doubling since 2017[2]. While the current debt held by the Council is well within the covenant limits set by the NZ Local Government Funding Agency (who the Council borrows most of its debt from) we are ~~near~~ above the limit of the internal self-imposed debt to revenue cap for the first six years of the LTP. As a result, we need to carefully consider what projects we pursue in the future.

In this LTP the Council is focused on delivering core services, such as waters and transport. Because of decades of underinvestment in infrastructure and the long tail of earthquake impacts on many key buildings across the city, our required investment in our core assets is significant. Council is committing to 'looking after what we have'. There is little scope for us to significantly increase level of service targets over the next 10 years[3].

Our infrastructure demands

The Council's Infrastructure Strategy (IS) identifies significant needs, challenges and options for managing infrastructure over the next thirty years. The IS signals where asset investment or optimization (including divestment) may be needed.

The IS identifies five infrastructure challenges that are key drivers of the financial sustainability challenges addressed in this strategy:

1. **Population growth and changing demand and expectations**. Wellington has sustained a steady 1.2% population growth per year from 1998 to 2018. The forecast growth rate going forward is lower at 0.8% per year. This will still result in between 50,000 - 80,000 extra people over the next 30 years and requires approximately 24,000-31,000 more housing units. An aging population, changes to household size, more intense and mixed land uses, and accessibility requirements affects the range of infrastructure / services needed while increasing the demands on the

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[1] Wellington City's population is forecast to grow 26% between 2021-2054 and the 2021-31 (Sense partners population forecast)

[2] As at 30 June 2017 the Council's borrowings were $582m it is now more than $1.4b

[3] Levels of service are what we have agreed to deliver to, and on behalf of, the community. These are set through the Council's LTP, sometimes in response to community desire, and sometimes in response to statutory requirements.

existing networks across the city. Many infrastructure networks will require more or new investment to support this forecast growth particularly the intensification of existing urban areas and along key public transport corridors as signalled in the Spatial and Proposed District Plans.

2. **The aging and declining condition of our infrastructure portfolio** - in particular water and transport networks. The age, condition and performance of our water assets is under significant stress. These assets, which were designed at a time to service a smaller population, less housing and different weather patterns, require significant on-going investment at a scale far greater than in recent years. Wellington's topography constrains our ability to add or widen corridors for our transport network. This lack of capacity shows up as congestion on the roads and creates safety issues, especially for vulnerable road users. To maximise the safety and efficiency of our network, increase the provision of safe convenient and reliable low carbon transport mode options, relocation of some space away from inefficient private vehicle traffic lanes and parking to higher capacity public transport and active mode corridors. To deliver these changes in our transport system, considerable investment will be required for decades, either through government or some other funding mechanism.

3. **Mitigation and adaptation to climate change.** Much of our infrastructure was planned and built before we considered the impact on carbon emissions. To reach our goal of a 57% reduction in emissions by 2030 and achieve net-zero carbon by 2050, we must rethink and redesign our infrastructure. Climate change is already affecting New Zealand, impacting its natural environment, economy, and communities. Without proactive adaptation, further climate-related changes are expected to significantly impact our infrastructure. ~~Recent~~ Previous weather events underscore the exposure of Wellington's infrastructure to various climate-related impacts, such as extreme weather events, sea level rise, flooding, coastal inundation, erosion, landslides, and rising temperatures. Future costs to the Council for making infrastructure more resilient will be material. Estimates indicate that the cost of not taking action to address climate issues is seven times higher than the cost of safeguarding our current and future infrastructure.

4. **Mitigating earthquake ~~(EQ)~~ hazards, buildings ~~EQ~~ earthquake resilience and insurance cost inflation.** Wellington faces threats from earthquakes, landslides and the effects of climate change. Wellington is a hilly city. It has many bridges and retaining walls, and limited access points - these critical links must be resilient. This means ensuring they can withstand the impact of earthquakes and other natural disasters, so people can continue to access essential services. To be a seismically resilient city, much of our infrastructure needs to be remediated, particularly buildings and facilities. Seismic resilience is also about ensuring safety and access to lifeline services. Many of the Council's buildings are not earthquake-prone, but some are, and require remediation. This includes a few key public use buildings. In this environment, insurers are limiting their exposure to the region's hazards by narrowing cover and/or increasing the cost of cover.

5. **Affordability, funding and market capacity to deliver the require infrastructure investment programme.** The costs associated with maintaining, operating, renewing, and upgrading the Council's significant portfolio of infrastructure are substantial and have been increasing materially since the COVID-19 pandemic. Funding tools are limited, and while the Infrastructure Funding and Financing Act 2020 ~~(IFFA)~~ provides an 'off balance sheet' solution not impacting borrowing limits, the costs still fall to the community who themselves are facing cost increases and affordability issues. Added to this, Civil Contractors New Zealand reported that the civil construction industry face major challenges including greater uncertainty for future projects, attracting and retaining skilled people, cost escalations and supply chain issues.

Addressing these challenges has been constrained by a recent history of incomplete asset management, data maturity and under investment in asset maintenance and renewals. Progress has been made to collect more and better information about our assets, particularly our most critical assets. We need to maintain or even increase our investment in this area to ensure we can continue to make good decisions about when investment in our infrastructure is optimal.

The current economic environment

The economic and community operating environment has dramatically changed since the Council prepared its 2021-31 LTP. We are operating in an environment of high inflation, high interest rates and borrowing costs have increased steeply since 2021. Insurance premiums continue to rise while access to insurance for many of Council's assets is becoming more difficult. Put simply, everything we do is costing more to deliver. While the Council's current financial position is strong with a credit rating of AA~~+~~ (negative watch) and total assets of over $10b, the Council is now facing and addressing:

- Material near-term cost and affordability challenges; and
- Medium to long-term balance sheet and funding constraints.

Day-to-day costs have also had a significant impact on our community. Households are under financial pressure in this economic environment, with Council's main source of income being rates, careful decisions need to be made about what the community can afford. There is growing community pressure for the Council to live within its means (i.e., deliver affordable services). Successive years of double-digit rates increases are eroding community perceptions of service affordability and rates increase tolerance – particularly as cost-of-living pressures continue.

In 2007 a Local Government rating inquiry report found that as a rough benchmark, affordability problems could arise where rates exceed 5% of gross household income. Wellington City as a whole remains below this indicative benchmark level (even when including the proposed sludge levy). However, rates across Wellington City vary greatly and there are suburbs in Wellington where the 5% affordability benchmark has been reached.

There is no easy solution. High inflation and costs (particularly the cost of borrowing) in the current economic environment is restricting what we can afford to do. The 2023 Future for Local Government review found that local authorities face significant funding challenges constraining their ability to deliver services to their communities, meaning there is limited capacity or resource to work with communities on more complex challenges. It also noted that the current local government funding and financing system is not sustainable[4].

We will work collaboratively with other councils and central government to seek changes to provide a sustainable funding model for local government and support new ways to deliver core services. For example, supporting the establishment of a new style of regional council-controlled organisation that has the mandate and financial sustainability to ensure the provision of a safe, reliable, quality water service for our communities.

In the meantime, the funding options available to the Council are limited. We must make careful decisions about what we invest in and when, to provide the required service in the most cost-effective way.

Managing future risk

While we need to think about the immediate cost pressures, we also need to make sure we can respond to future challenges and natural disasters. Our balance sheet currently lacks the resilience to meet possible future events, which we are looking to address through this financial strategy.

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[4] Review into the Future for Local Government (2023) He piki tūranga, he piki kōtuku, Wellington: New Zealand.

The Wellington region has numerous large known faults such as the Wellington and Ohariu faults. The 2022 revision of the National Seismic Hazard Model estimates the likelihood of future earthquake shaking hazard to have increased throughout most of the country. Further, recent weather events in New Zealand have highlighted the impact of a changing climate.

If such an event were to occur in Wellington, we need to have the financial capacity to respond accordingly. The Council's current investment portfolio effectively has two main assets (WIAL shares and ground leases) and is highly exposed to disruptive events such as the COVID-19 pandemic or natural disasters.

Part 2 – Responding to Council's financial challenges

The Council is committed to responding to the needs of the community and the aspirations for the City's future. The budget and investment programme in the 2024-34 LTP underpins the vision and the nine LTP strategic priorities guiding the Council's LTP work programme.

In addition, the development of this strategy and future financial decision making is informed by the advice of the 2023 Citizens' Assembly Pilot (the Assembly). Relevant recommendations of the Assembly are that the LTP, as part of its medium-term focus, look to diversify revenue streams, advocate to central government for legislation changes to access alternative revenue streams, considers investments and partnerships to supplement rates revenue and prioritising capital spend according to affordability.

In this environment our ability to maintain the pace of delivery for our capital investment programme and maintain prudent financial planning and management is increasingly under pressure. To address these challenges, the Council is planning to:

1. Continue to invest in the city but rephase and reprioritise the capital programme of works, with a focus on completing projects that we have started, looking after our existing assets, and meeting regulatory requirements. The Council is increasing its borrowing capacity by reducing the capital programme over the ten years of the Long-term Plan using these principles.
2. Seek opportunities to increase non-rates revenue and make efficiencies and some reductions in levels of service to manage immediate cost pressures.
3. Make better use of investments to better deal with the risks and external costs pressures more effectively. This includes diversifying the Council's investment portfolio through the creation of a disaster resilience fund. The Council's investment assets are highly concentrated in terms of geography, asset type and liquidity.
4. Look for long-term solutions for local government funding and financing, including continuing to advocate and support change for the establishment of a new style of regional council-controlled organisation that has the mandate and financial sustainability to ensure the provision of a safe, reliable, quality water service for our communities.

Continued investment in assets

The IS provides details of the level and timing of investment needed to operate, replace, renew and upgrade existing facilities over the next 30 years.

The Council primarily borrows to pay for the construction/purchase of new assets. These assets generally provide new or enhanced benefits to Wellington for many years. Borrowing therefore has the advantage of being a cost-effective and equitable way to fund these assets as it spreads the cost of the asset over the future generations of ratepayers who will benefit from the use of the asset.

If the capital expenditure relates to the replacement (renewal) of an existing asset, that expenditure will be initially funded by borrowings but be repaid by rating for depreciation over the life of the asset. Any surplus rate funded depreciation, after paying for the replacement of Council assets, will be used to repay borrowings.

The increased investment in infrastructure to provide for growth is proposed to be recovered in part through development contributions. However, the Council also funds growth infrastructure through debt. Over time as new lots are created and new houses and apartments are built across Wellington there will also be more properties to share the rates across, reducing the impacts on existing ratepayers.

The Councils capital programme has been updated to reflect the transfer of three waters assets to a regional Councill Controlled Organisation as at 1 July 2026. The Council has also received a reduction in funding from the National Land Transport Plan (NLTP). New Zealand Transport Agency/Waka Kotahi (NZTA Waka Kotahi) approves funding on a three-year cycle based on the Government's priorities for the same period. The funding level approved for one three-year period is not an indication of funding in the future years. The Council has reduced its capital programme to mitigate the loss of funding from the NLTP for the current three year cycle, over the ten years of the plan.

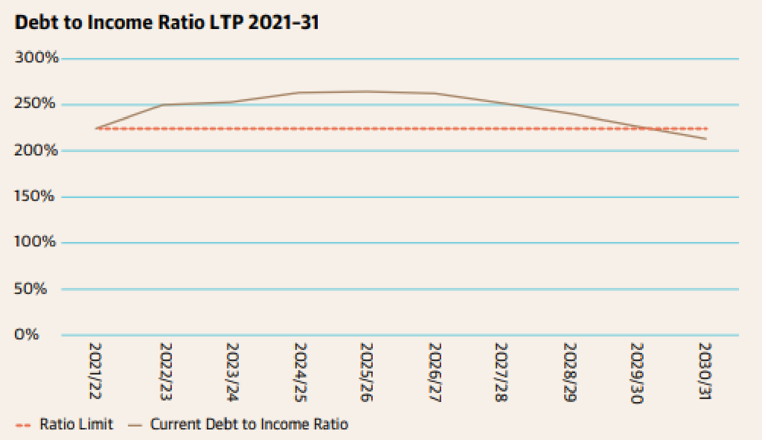
The Council must operate within its debt covenant levels and therefore there are limitations on the level of investment in assets it can undertake based on the amount it can afford to borrow. Due to the significant underinsurance, and a constrained private insurance market, the Council is increasing its borrowing capacity and established a disaster resilience fund to self-insure in the event of a natural disaster. The Council has increased its borrowing capacity over the ten years of the Plan by reducing the capital programme and reducing the self-imposed debt/revenue ratio to 200%.

The Council borrows from the NZ Local Government Funding Agency, who set a debt to revenue ratio covenant of 280%. The Council has set its own debt to revenue ratio limit at 200~~25~~%. The Council's debt to revenue ratio limit has historically included a provision for insurance headroom of $272m. This amount was set in the 2021-31 LTP and reflected the "gap" in insurance coverage available to the Council. The current financial strategy removes~~retains~~ the insurance headroom for the ten years of this plan. In the event of a natural disaster the Council will have borrowing capacity up to the 280% LGFA limit. By reducing its self-imposed debt/revenue ratio limit, the Council is creating increased headroom to respond in the event of a natural disaster.~~, and reflects the Council's desire to retain borrowing capacity in the case of a shock, particularly until the Council has alternative capacity to respond to such events.~~

The Council's own limit has been set giving regard to:

- The Council having the future cashflows to repay the debt;
- The ability of ratepayers to service debt – including both interest and repayments;
- Having necessary debt facilities, credit rating and security in place, which is achievable over the medium to long-term; and
- Maintaining financial headroom to deal with unknown shocks.

In preparing its 2021-31 LTP, the Council was forecasting to exceed its debt to revenue limit in the first seven years of the plan. While the Council's actual debt to revenue ratio has not exceeded the 225% limit to date, debt has still increased significantly.



With significant increases in construction costs, the scope of works being undertaken (for example the cost of the Town Hall remediation being significantly higher than planned) and the size of the Council's capital expenditure programme, the Council is expected to exceed its own debt to revenue limit ~~(including the insurance headroom)~~ in this LTP period. However, there is a need to manage the costs of the Council's future capital programme to ensure that debt can be managed, the Council operates within its own debt to revenue limit over the ten years of the plan, and does not breach the debt to revenue covenants set by the NZ Local Government Funding Agency.

Another critical impact of funding capital expenditure through increasing debt, as well as through depreciation funding, is on future operating expenditure (and therefore on future rates). As both our asset base and our level of debt grows, so do operating costs of debt financing and asset management and renewals. These increasing cost pressures include:

- Increasing interest payments as the debt principal increases
- Increasing depreciation as the value of total assets increases
- Increasing costs of operating costs such as repairs and maintenance and insurance.

To respond to these pressures and to increase borrowing capacity, the Council has reprioritised and rephased the capital programme using the following principles:

- Complete works underway - examples include things like the Town Hall, Te Matapihi Central Library, parking enforcement technology roll-out etc.
- Deliver what is legislatively or contractually required – examples include Phase 2 of the Housing Upgrade Programme, multi-year contracts, earthquake strengthening; and
- Invest in areas where there are material infrastructure challenges e.g., three waters.

The remaining capital works programme has been rephased, reprioritised and rescoped so that it is evenly distributed over the ten years of the plan or beyond and fits within the available budget parameters.

Growth

Forecasts indicate steadily ageing population and smaller households as family sizes continue to decline. The population is seeing an increasing proportion of people in the 55-to-85-year age brackets, and the 20-to-30-year age group. There is a decreasing proportion of the population in the under 20-year age bracket and the 30-to-50 age group. National population projections from the 2013 disability survey indicated a 45% increase in disabled population to 2038 compared with 31% increase in total population. The same survey indicated nearly 60% of people over 65 identified as disabled. Changing demographics affects the range of services we need to provide and demands on networks across the city – and long-term changes to household size, more intense and mixed land uses, and accessibility requirements.

The Council is planning to accommodate the growth of the city predominantly through intensification of existing urban areas and along key public transport corridors as set out in the Spatial Plan and Proposed District Plan. This will require new infrastructure including higher capacity public transport corridors to sustain growth, and existing infrastructure to be upgraded.

Capital Expenditure

The Council is investing $3.4~~4.9~~b in its capital programme over the 10-year period of the 2024-34 Long-term Plan. The below table shows the total cost of capital projects over the 10-year period of the 2024-34 Long-term Plan categorised by type of expenditure.

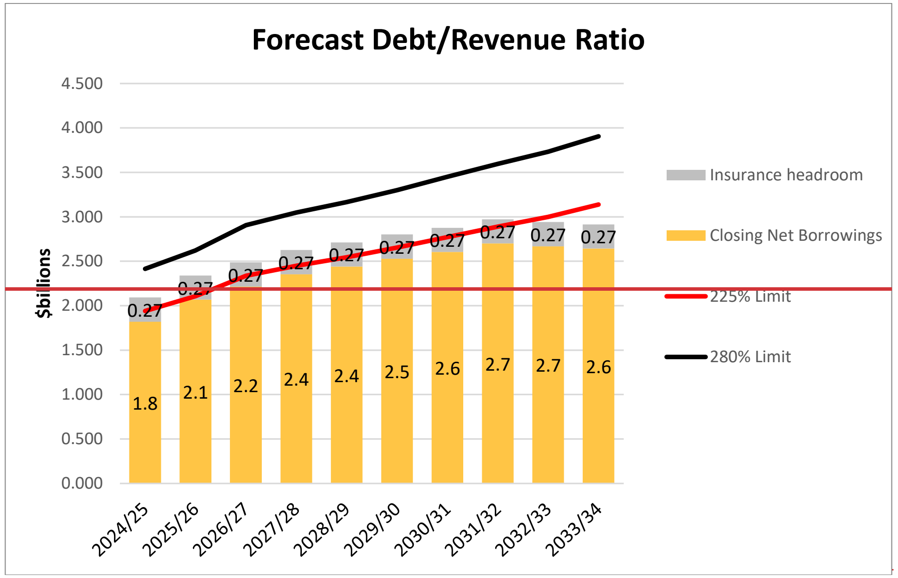
	2024-34 Long-term Plan			
	Renewals	LOS	Growth	Total
Activity Group	($000's)	($000's)	($000's)	($000's)
Water supply	~~168,264~~17,126	~~177,164~~ 4,205	~~1,677~~ 304	~~347,105~~ 21,636

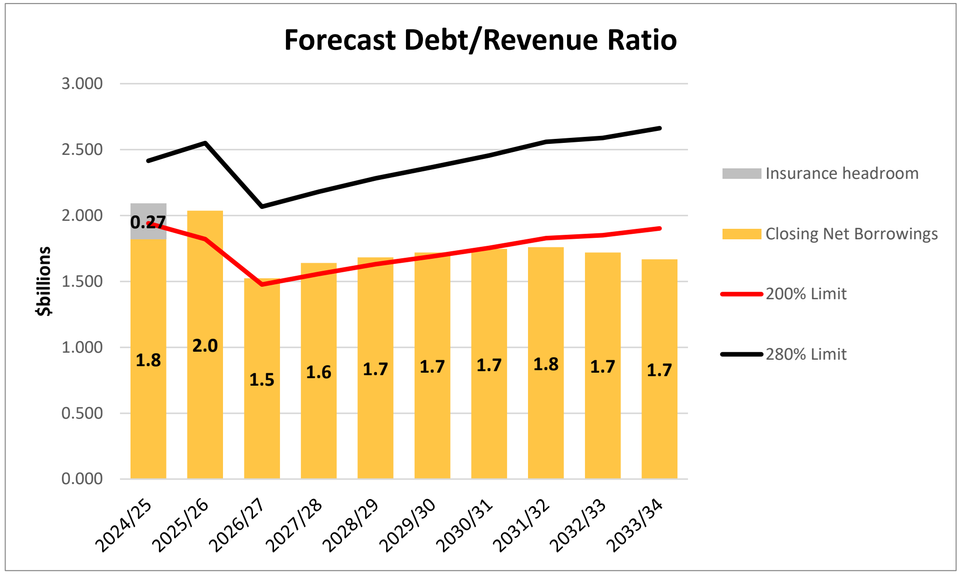
11

Wastewater	~~394,367~~ 54,523	~~482,698~~ 317,769	~~7,729~~ 6,355	~~884,793~~ 378,647
Stormwater	~~53,014~~ 3,117	~~153,954~~ 4,090	~~1,677~~ 304	~~208,646~~ 7,511
Transport	~~434,038~~ 440,450	~~309,306~~ 359,447	~~400,268~~ 127,456	~~1,143,612~~ 927,353
Other Activity Groups	~~1,517,703~~ 1,380,717	~~636,954~~ 582,484	~~158,199~~ 142,843	~~2,312,856~~ 2,106,044
Total Capital Expenditure	**~~2,567,387~~1,895,933**	**~~1,760,077~~ 1,267,996**	**~~569,551~~ 227,262**	**~~4,897,014~~ 3,441,191**

Debt

The Council's net debt is expected to decrease~~increase~~ to $1.7~~2.9~~b ~~(including insurance headroom of $272m)~~ by 2033/34. This is a result of the reduction in the capital programme to increase borrowing capacity.





For the debt to revenue ratio, income is defined as total revenue less development contributions, financial contributions, vested assets, gains on derivative financial instruments, sludge minimisation revenue and gain on sale of investments. Borrowings is comprised of total borrowings less cash and cash equivalents and Other Financial Assets.

The forecast shows that the Council will exceed its debt to revenue limit, for the first ~~eight~~ six years of the plan, however it gradually returns within its limit in year seven~~nine~~. ~~If we exclude the insurance headroom and look at the debt proposed to be drawn down, then the debt to revenue limit is not exceeded.~~ Following reductions to the capital programme over the ten years, the Council has increased its borrowing capacity between the self-imposed debt to revenue ratio limit of 200% compared to the LGFA limit of 280%.

The Board of LGFA may be able to approve bespoke lending covenants to a Council where this might be required to recover from a significant natural disaster that impacted the ability to remain within those set out in the LGFA's Foundation Policy. This would only be for a short term and would come via negotiation with the LGFA Board and would require bespoke reporting and monitoring arrangements to be put in place to ensure a path back to compliance with the Foundation Policy. Given this is bespoke and not guaranteed we have not forecast this in our strategy.

The debt to revenue ratio reduces from year six~~8~~ mainly due to surplus depreciation funding that is not spent on renewals. It is important to note that surplus depreciation is expected at this point in time due to the increased investment in new assets that are being depreciated incrementally over their useful life. Renewal of assets have been phased over the ten years due to affordability restraints which means postponements to some maintenance and renewal work. Funding for renewals from Year 11 onwards is planned to increase due to the rephasing and postponement in Years 1 to 10.

The Council will need to continue to monitor its capital programme to ensure it remains within the debt to revenue limit, this will act as a key metric in making future capital expenditure decisions. The Council will also need to ensure that borrowing capacity is maintained within its debt to revenue ratio to respond to any natural events (e.g. earthquake).

Risks to levels of service

Transport

We have a higher cost of transport road maintenance in Wellington City relative to other councils with similar transport networks. The sub-structure of Wellington's roads consists of flexible, highly water susceptible clays. This creates issues with the maintenance of the network. The construction of a roading network within the topographical constraints of the area has resulted in the need for a substantial number of structures across the district. This steep topography also requires an extensive network of drainage assets as we need to control the stormwater runoff. These combined challenges create a cost of maintenance environment which is high and there is no easy solution.

High axle loads from Electric busses is also leading to accelerated pavement deterioration on bus routes.

We also have an aging asset base which becomes more expensive to maintain while delivering the service levels our customers expect.

In this LTP we are planning to fund renewals at approximately 77~~5~~% of what is forecast in the asset management plans for transport. In doing so, we will seek value for money options through good procurement practices and review programme options for more cost-effective options. Deferring 25% of renewals does carry some risk that levels of service received by the community is lower than planned. This risk is mitigated by having very high confidence in the condition of the roading network, with recent and ongoing assessments of data taking place for the entire portfolio. We will prioritise renewals where the greatest need is, such as, safety, resilience, connectivity, and mode shift.

Three waters

The Council is proposing to transfer its three water assets to a regional Council Controlled Organisation as at 1 July 2026. In preparing the 2024-34 LTP the Council ~~While this LTP prioritises investment~~prioritised investment in water supply to address the number of water leaks and the risk of a water shortage, but there are a few wastewater and stormwater projects that are not proposed to proceed in the next ten years. For example,t~~T~~he Moa Point and Western Wastewater Treatment Plants require significant renewals as many of these assets are at the end of their useful life. While investment was planned to~~ill~~ occur, it was~~is~~ not at the level recommended in advice from Wellington Water, who manage the asset. Funding was~~is~~ included in the budget to progress concept design of core activity to allow further prioritisation and could~~an~~ be quickly implemented if failure occurs. Taking this approach increased~~s~~ the risk that there may be periods of non-compliance with consents, odour issues and impacts to water quality. With the Council's proposal to transfer its three water assets, the investment profile will be up to the regional water services CCO. Our analysis shows that the regional model is the most efficient way of achieving the appropriate investment in three waters assets.

Unplanned Events

Unplanned events require earlier than planned investment (e.g., Civil Defence emergencies, natural events, river slips, fire, theft, and safety concerns). These events, if they occur, could result in significant unplanned operating and capital costs. The Council has mitigations that can be executed in the case of such an event. The Council’s debt to revenue limit is lower than covenants that would be set through lenders. Further, the Council has reduced its capital programme over the ten years of the LTP to increase its borrowing capacity, if required~~currently maintains insurance headroom of $272m within its forecasted debt~~ to respond to emergencies such as those caused by natural hazards and extreme weather events.

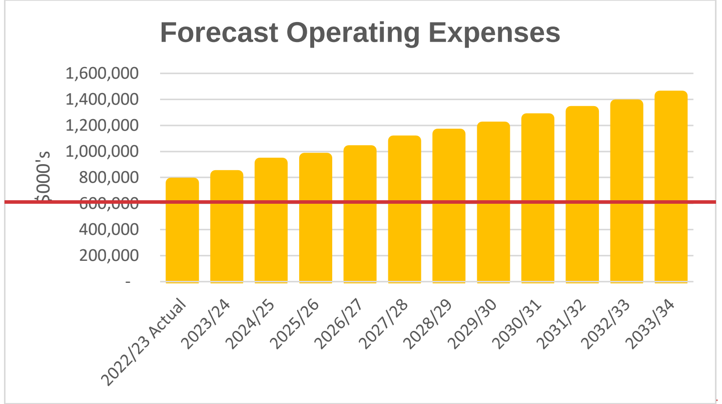
As part of this LTP the Council is looking to establish a ~~perpetual investment~~ disaster resilience fund. This fund could provide accessible funding in the event of a natural disaster or unplanned event, if required. Refer to improving balance sheet resilience section below.

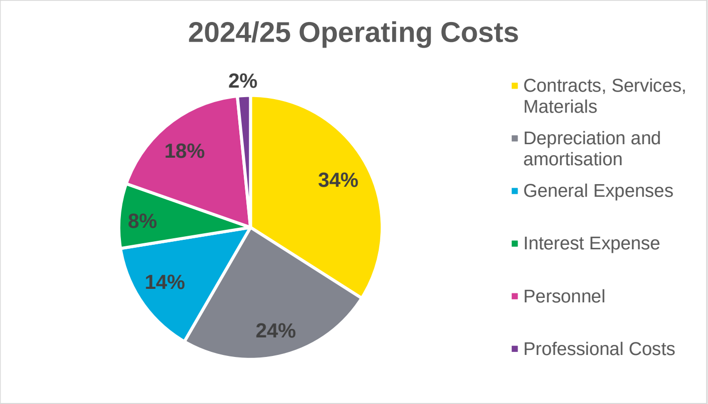
Addressing the immediate affordability challenge

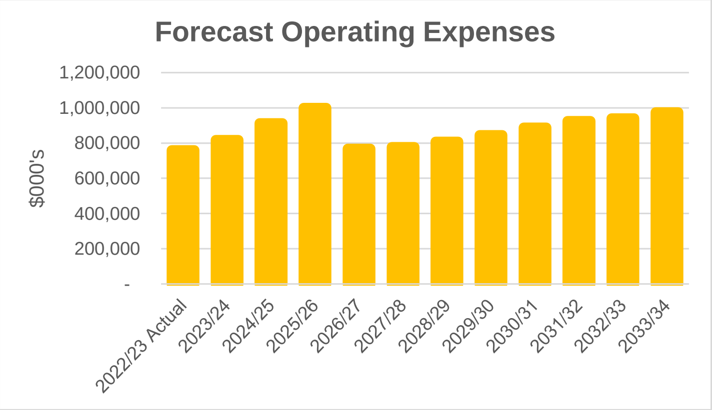
Paying for the city’s everyday cost

Everyday costs should be paid for from everyday revenues. If we fail to achieve this, the everyday costs are funded by increasing debt. This means existing ratepayers are not paying for some of the services and amenities being provided to them. Using debt to fund everyday costs also means future ratepayers will pay for this cost, including interest. This is neither prudent nor sustainable.

The costs to undertake Council services are higher than previously anticipated. Next year alone, we’re forecasting cost increases for depreciation (the cost of looking after our existing assets); $26m, interest $11m and inflationary pressures). Operating costs are forecast to be $974m~~1.4b~~ by 2033/34, an increase of 19~~75~~% from the 2023/24 Annual Plan. Note that operating costs have been updated to exclude water related costs from 1 July 2026.







To mitigate the increase in everyday costs the individual budgets included in the draft LTP have been scrutinised and refined. This has been a rigorous process over the last year. The focus has been on ensuring we're delivering core services. For example, we have cut back spending on removal of graffiti and events, including the annual fireworks display.

Depreciation

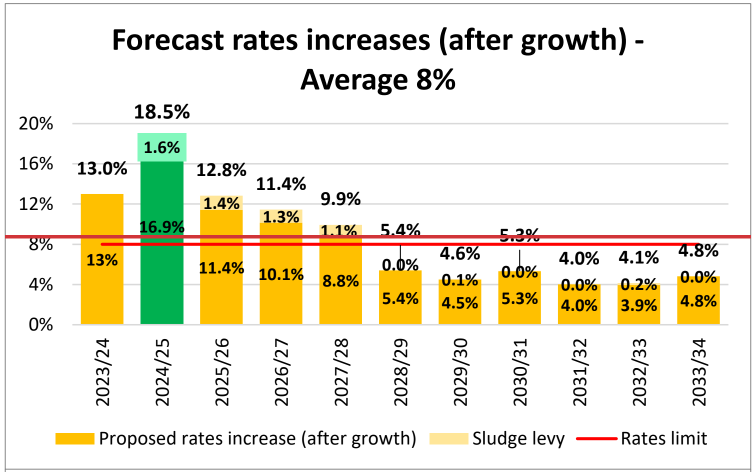
In the 2022/23 Annual Plan, due to a significant revaluation increase of the Council's water infrastructure assets, it was decided that the depreciation on the Council's water assets would be funded by rates based on the quantum of the three waters renewals capital programme for 2022/23 and 2023/24, and the Council was planning to ~~would~~ return to fully rates funding the depreciation by 2028/29. However, this decision will be considered in the future by a new water services entity. Based on this, it was resolved that the Council considered that it was financially prudent based on Section 100 of the Local Government Act 2002.

The Council has made further decisions to not rates fund the depreciation on some assets that are unlikely to be renewed at the end of their useful life. This means that the Council is not collecting sufficient revenue to cover its operating costs resulting in an unbalanced budget, which the Council has agreed is financially prudent.

While we are not fully rates funding depreciation, we are still collecting sufficient revenue from rates to fund renewals planned during the ten years of this plan.

Rates

Rates are the principal source of funding for the Council's activities. However, where the user of a service can be readily identified and charged, we generally set fees and charges that cover the costs of providing that service. The Council places a high reliance on revenue from rates. In 2024/25, the forecasted revenue from rates is expected to be 58% of total revenue. Exploring new revenue streams and central government funding will continue to be a priority throughout the period of the 2024-34 Long-term Plan.


Forecast rates increases (after growth) - Average 8%
20%
16%
12%
8%
4%
0%
13.0%
13%
18.5%
1.6%
16.9%
12.8%
1.4%
11.4%
11.4%
1.3%
10.1%
9.9%
1.1%
8.8%
5.4%
0.0%
5.4%
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4.8%
2023/24
2024/25
2025/26
2026/27
2027/28
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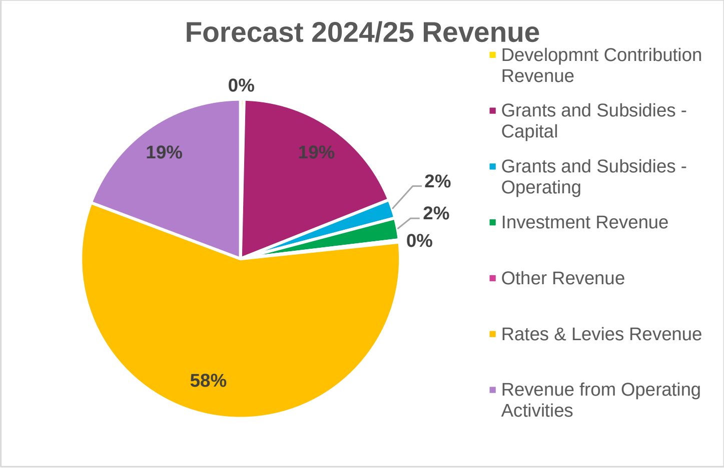
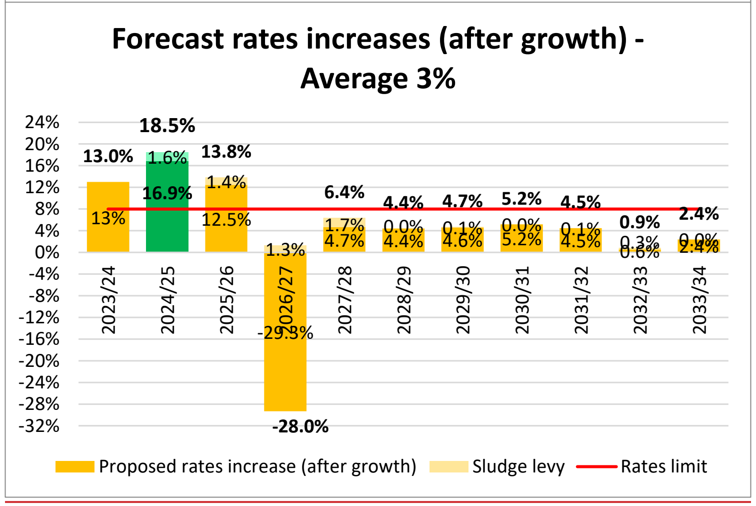
2033/34
Proposed rates increase (after growth)
Sludge levy
Rates limit


Forecast 2024/25 Revenue
0%
19%
19%
2%
2%
0%
58%
Developmnt Contribution Revenue
Grants and Subsidies - Capital
Grants and Subsidies - Operating
Investment Revenue
Other Revenue
Rates & Levies Revenue
Revenue from Operating Activities


Forecast rates increases (after growth) - Average 3%
24%
20%
16%
12%
8%
4%
0%
-4%
-8%
-12%
-16%
-20%
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-28%
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16.9%
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2023/24
2024/25
2025/26
2026/27
2027/28
2028/29
2029/30
2030/31
2031/32
2032/33
2033/34
Proposed rates increase (after growth)
Sludge levy
Rates limit

The Council's rating system has been considered with the intention that it represents the most appropriate rates options to address the present and future needs of the city. The Council has set a rates increase limit of between 5-8% (excluding the sludge levy) on average over the ten years of the Long-term Plan, however higher rates increases in the early years of the Long-term Plan are necessary to continue to fund the current levels of service. The average rates increase for the 2024-34 Long-term Plan is 3~~8~~%. The Council will need to make prudent financial decisions to ensure it remains within this limit.

Note that these figures have been updated to exclude water related expenditure and revenue from 1 July 2026.

The basis for the rates increase limit is to balance affordability with increased investment required in our infrastructure. On average Wellington residents pay a lower share of their household income on rates compared to surrounding areas. Many residents benefit from relatively high incomes comparative to the New Zealand average. We also have a significant commercial sector that allows residents to afford higher levels of services than other smaller centres. The 2007 Shand report reviewing Local Government rating suggested a benchmark of rates around 5% of household income being affordable. There are however suburbs that are nearly paying 5% of their household income.

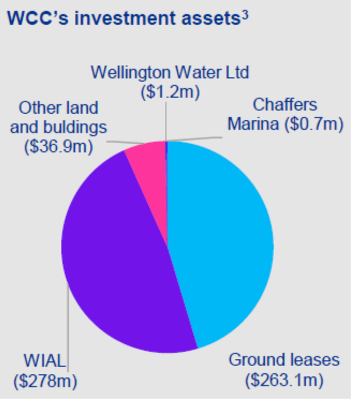
In July 2024, the Council will be introducing a new sludge levy to fund the cost of the new Moa Point sludge minimisation facility. This was approved under the Infrastructure Funding and Finance Act 2020 (IFFA), we consulted on this option through 2021/2022 and received support from the New Zealand Government (Cabinet and the Minister of Housing) in August 2023. We are collecting the levy on behalf of the special purpose vehicle owned by Crown Infrastructure Partners. The cost of the sludge levy for ratepayers needs to be considered when assessing affordability for our ratepayers.

Improving Balance Sheet resilience

There are two main challenges to the long-term resilience of the Council's balance sheet – firstly, the Council's investment assets are not appropriately diversified, and secondly, the capacity available to insure Council's assets is becoming increasingly constrained.

Lack of diversification in the investment portfolio

The Council's investment assets are highly concentrated in terms of geography, asset type and liquidity. The investment portfolio has two main asset classes – WIAL shares and property ground leases – which make up 93% of the Council's investment assets. Both these classes of assets are highly exposed to the same risks and disruptive events, including natural disasters and market events, due to the fact that they are all property assets based in Wellington. Because they are exposed to the same risks, the Council may have limited ability to liquidate these assets if it needs funds to contribute to a recovery effort following a natural disaster or significant market disruption. With changes to national hazard modelling (discussed below), the likelihood that the Council would need to release capital following a natural disaster has increased significantly.

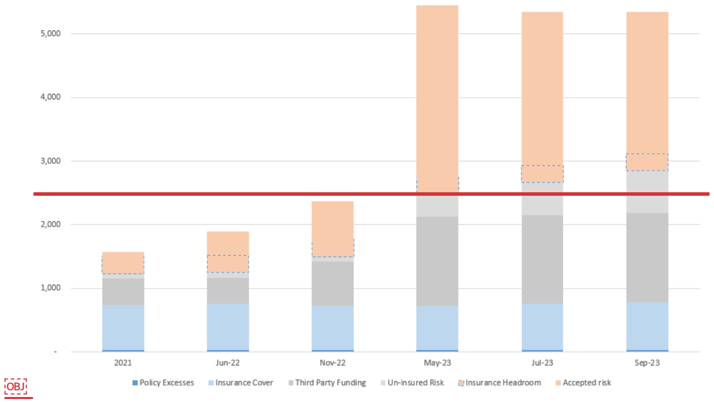

WCC's investment assets[3]

Cost and availability of insurance

Insurance premiums are increasing, and, in some cases, insurers are reducing the levels of cover available to manage their overall exposure to Wellington. The effects are being felt by both private and public property and asset owners. Compounding this, is the continued increases in building and infrastructure valuations which drive increases in the cost to replace assets leading to increased insurance premiums. These trends are forecast to continue in the future.

The release of the 2022 National Seismic Hazard Model has further increased the Probable Maximum Loss from a major event for many of the Council's assets. This means the financial impact of a seismic event is greater than previously thought. Additionally, recent weather events across New Zealand have highlighted the reality of climate issues and their impact, alongside more well understood seismic risks.

The combined effect of changes in loss modelling, and the impact of cost and availability of insurance is that the Council now has a significantly higher proportion of uninsured risk (between $1.5m to $2.6m) than it did when it set the 2021-31 LTP. The $272m debt headroom the Council previously held~~olds~~ to cover uninsured risk is now far from sufficient to cover expected losses after a major event.



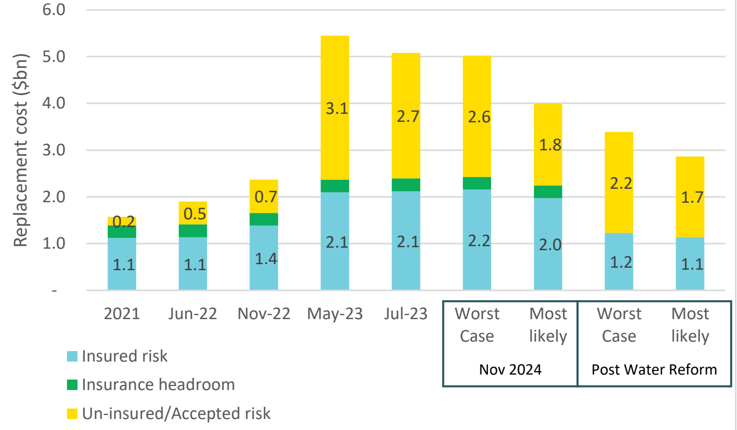


Figure 1: Insurance gap and funding sources in a 1-in-1,000 year event

Reshaping the investment portfolio to achieve greater resilience

As a result of work undertaken over the last couple of years, including the work the Council has been doing on an insurance road map, the Council ~~is c planning to divest its holding in Wellington International Airport Limited to invest the proceeds into a new Perpetual Investment Fund~~has significantly reduced its capital programme to create borrowing capacity to be able to respond to a major event. ~~A Perpetual Investment Fund is an investment fund that is intended to continue forever.~~

Along with the ~~WIAL shares~~reduced capital programme, the Council intends to use the proceeds from periodic sales of selected ground leases to ~~further capitalise the new fund~~capitalise a disaster resilience fund. The proceeds in the fund would be used for the long-term benefit of the city by providing critical, accessible funding in the event of a natural disaster while continuing to supplement rates revenue through a conservative annual dividend stream.

Other councils have taken similar action to manage their portfolios and enable long-term investment in their communities. Particular examples are the New Plymouth District Council Perpetual Investment Fund, the Dunedin City Council Waipori Fund and the Hawke's Bay Regional Council Future Investment Fund.

The benefits of recycling the Council's investment assets in this way are:

- Reduced geographic concentration meaning not all assets are subject to the same disaster risks and returns are decoupled from the performance of Wellington CBD.
- Increased diversification of the portfolio via the introduction of a new financial asset class and a reduction in exposure to the property sector.
- Increased liquidity of the portfolio to ensure funding is available for the Council in the event of a significant natural disaster and that the capital can be available at relatively short notice and with low exit costs (albeit only as a last resort).
- The investment portfolio can be matched to the unique risk tolerance of the Council
- Enable the Council to pursue other objectives. For example, Environmental, Social and Governance (ESG) factors can be taken into account when making investment decisions.
- Maintaining financial returns for the Council, albeit through new revenue sources including dividend and interest income.
- Improve intergenerational wellbeing through the building up of investment wealth and reduced reliance on future rates increases
- ~~Reduces the Council's reliance on debt headroom as a way to manage insurance risk, which frees up debt capacity for other Council priorities (e.g., capital or infrastructure investments)~~

The Council will also continue work on the insurance road map and through this work, consider strategic ways to deploy capital to get the best out of available options. These could include exploring new alternative insurance solutions (e.g., parametric insurance, captive insurance), or further changes to the shape of the Council's asset base.

Advocating for change in funding and financing for local government

The current economic environment has created significant challenges in setting the LTP budgets and balancing the need to invest in the City's infrastructure while still delivering the services Wellingtonians have come to expect. The infrastructure demands and needs will continue to grow. While, in the future, the economic conditions may improve the funding and financing system for local authorities is not sustainable.

The Council has taken up new financing mechanisms as they have become available, such as setting a levy in accordance with the Infrastructure Funding and Financing Act 2020 to fund the Moa Point sludge minimisation facility. The Council also supports future change, including the establishment of a new style of regional council-controlled organisation that has the mandate and financial sustainability to ensure the provision of a safe, reliable, quality water service for our communities.

We will continue to work collaboratively with other councils and central government to seek changes to provide a sustainable funding model for local government and support new ways to deliver core services in the medium to long-term.

Appendices – Other mandatory financial strategy disclosures

Financial Investments and Equity Securities

We hold investments in companies and trusts, property, and cash. The full policy on the Council's investment management can be found in the Investment policy [insert link on our website].

Investments in companies and trusts

The Council has investments in five companies and interests in three Trusts. The primary reason for holding equity in these entities are principally to achieve efficiency and community outcomes and not for financial return on investment.

Company	Shareholding	Principal Reason for Holding	Targeted return
Wellington Cable Car Company Ltd	100%	Maintains and operates Wellington's iconic Cable Car	Nil
Wellington Regional Economic Development Agency Ltd (WellingtonNZ)	80%	The city and region's economic development organisation	Nil
Wellington Waterfront Ltd	100%	Acts as bare trustee for the Waterfront project	Nil
Wellington International Airport Ltd	34%	Optimise the return on the overall investment portfolio and to diversify the Council's income sources	Between $10m and $30m per annum
Chaffers Marina Holdings Ltd	9.93%		Nil
Civic Financial Services Ltd	4.78%	Insurance and risk management	Nil
New Zealand Local Government Funding Agency Ltd	8%	Borrowing	$100k per annum
Trust	**Shareholding**	**Principal Reason for Holding**	**Targeted return**
Karori Sanctuary Trust (Zealandia)	100%	Manages ongoing conservation and restoration work at its sanctuary in Karori	Nil
Wellington Museums Trust (Experience Wellington)	100%	Manages educational and cultural facilities and experiences	Nil
Wellington Zoo Trust	100%	Manages the Wellington Zoo, provides experiences and education and supports conservation initiatives	Nil

Investments in property

The Council's ground leases, and land and buildings are held primarily for investment purposes. The Council periodically reviews its continued ownership of investment properties by assessing the benefits of continued ownership in reference to strategic benefit, financial return, risk, and opportunity cost.

Cash

The Council operates on a "net debt" basis and does not separately maintain significant long-term cash investments. The general policy with respect to surplus short-term cash is to invest any short-term surplus cash or to temporarily reduce borrowings.

Cash is held for liquidity purposes like the prefunding of debt maturing within 18 months, or short-term cash surplus investments. The Council has an external lending covenant relating to liquidity whereby we must hold 115% of liquid assets over debt, this is supported by cash held in current accounts and term deposits.

Policy on Giving Security for Borrowing

To borrow cash, we must offer our lenders security, just like residents do with their mortgage.

Like most councils, debt is secured against rates income. Lenders like this as security and it helps keep our interest rates low. Giving rates as security means that our lenders can make us charge ratepayers more to repay debt. That is why it is important to keep our debt at a sustainable level.
We may also offer other security, including physical assets, in certain circumstances. The full policy on giving securities can be found in the Liability Management Policy [insert link to our website].

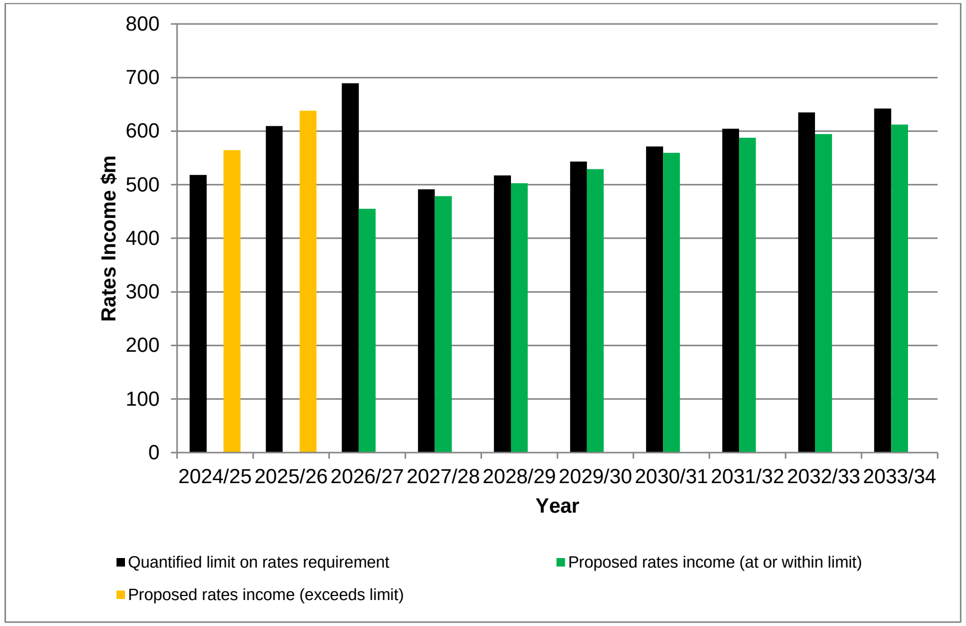
Local Government (Financial Reporting and Prudence) Regulations 2014 Disclosures

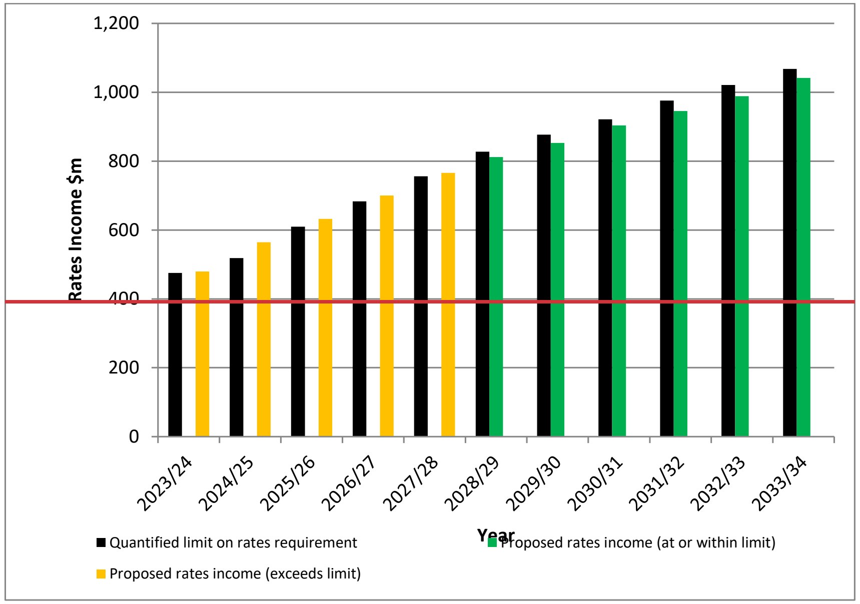
We have included the Disclosure Statement in this Long-Term Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. The purpose of this statement is to disclose our planned financial performance in relation to various nationally consistent benchmarks. These benchmarks enable the assessment of whether we are prudently managing our revenues, expenses, assets, liabilities, and general financial dealings.

These measures allow for comparison of financial performance with other councils. However, readers are urged to read the commentary and explanations provided to give context to the information, as it is not always possible to compare Wellington City Council's results with other councils due to their size, location and provision of services.

Rates affordability benchmark

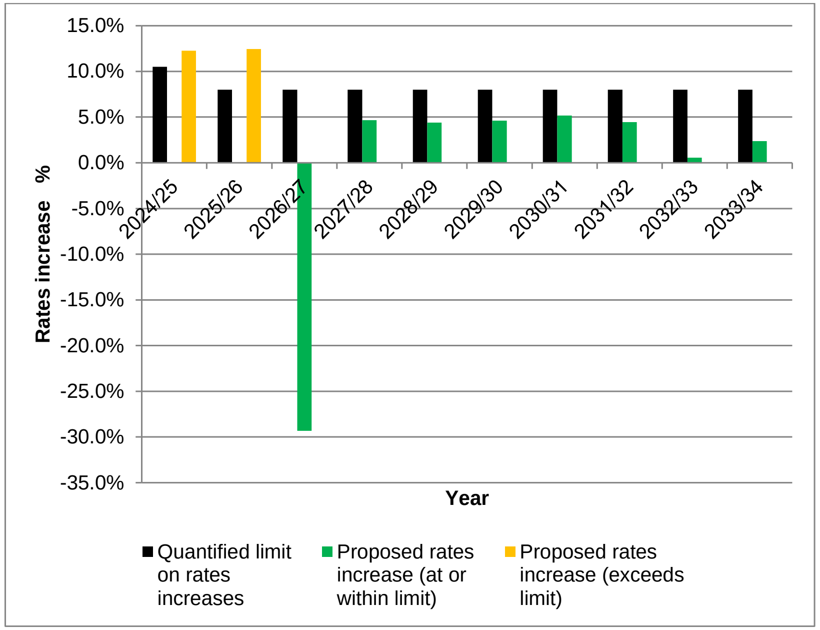
The following graph compares the council's planned rates increases with a quantified limit on rates included in the financial strategy. The quantified limit is an average rates increase of between 5-8% over the ten years of the LTP.

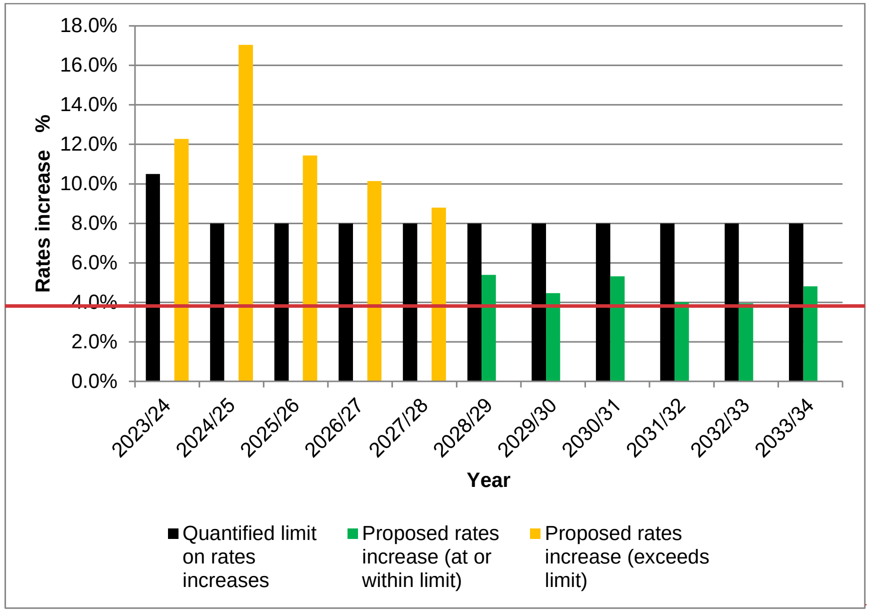



1,200
1,000
800
600
400
200
0
Rates Income $m
2023/24
2024/25
2025/26
2026/27
2027/28
2028/29
2029/30
2030/31
2031/32
2032/33
2033/34
Year
■ Quantified limit on rates requirement
🟩 Proposed rates income (at or within limit)
🟨 Proposed rates income (exceeds limit)

Rates (increases) affordability

The following graph compares the council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this long-term plan. The quantified limit is an average rates increase of between 5-8% over the ten years of the LTP.

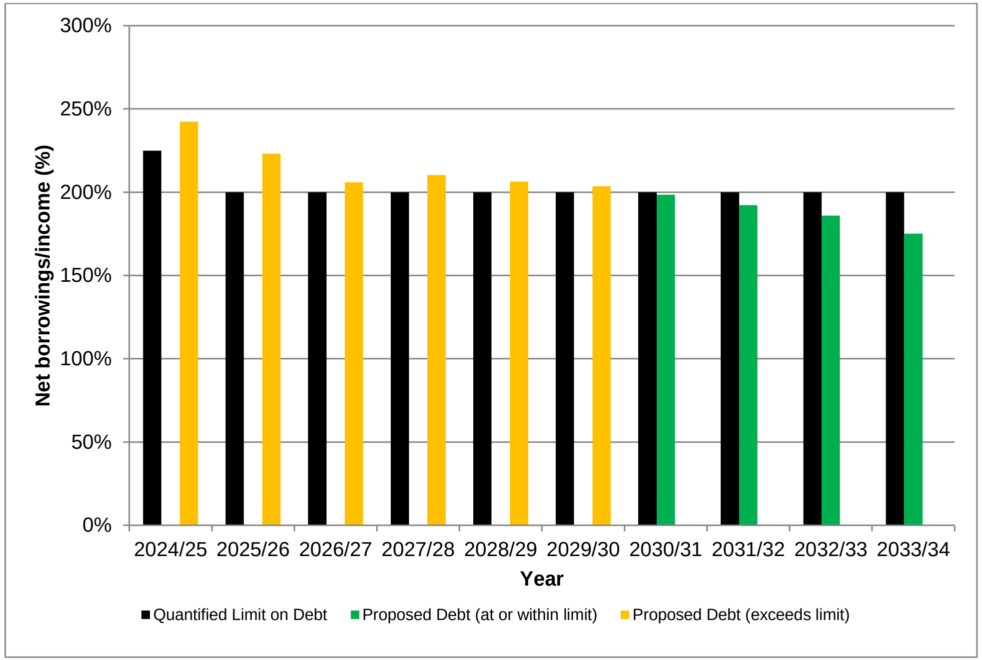


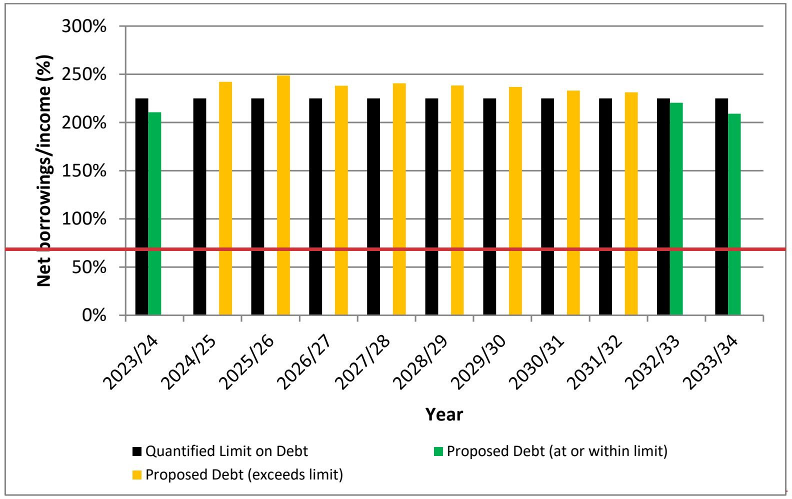

18.0%
16.0%
14.0%
12.0%
10.0%
8.0%
6.0%
4.0%
2.0%
0.0%
Rates increase %
2023/24
2024/25
2025/26
2026/27
2027/28
2028/29
2029/30
2030/31
2031/32
2032/33
2033/34
Year
■ Quantified limit on rates increases
■ Proposed rates increase (at or within limit)
■ Proposed rates increase (exceeds limit)

Debt affordability benchmark

The following graph compares the council's proposed borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is net borrowings, comprised of borrowings less cash and cash equivalents, being less than or equal to 225% of income. For this measure income is defined as total revenue less vested assets and development contribution income.

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



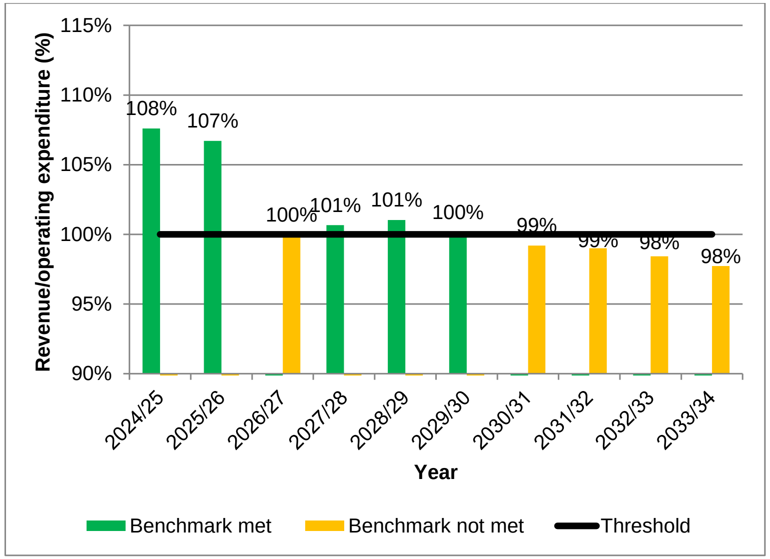

300%
250%
200%
150%
100%
50%
0%
Net borrowings/income (%)
2023/24
2024/25
2025/26
2026/27
2027/28
2028/29
2029/30
2030/31
2031/32
2032/33
2033/34
Year
■ Quantified Limit on Debt
■ Proposed Debt (at or within limit)
■ Proposed Debt (exceeds limit)

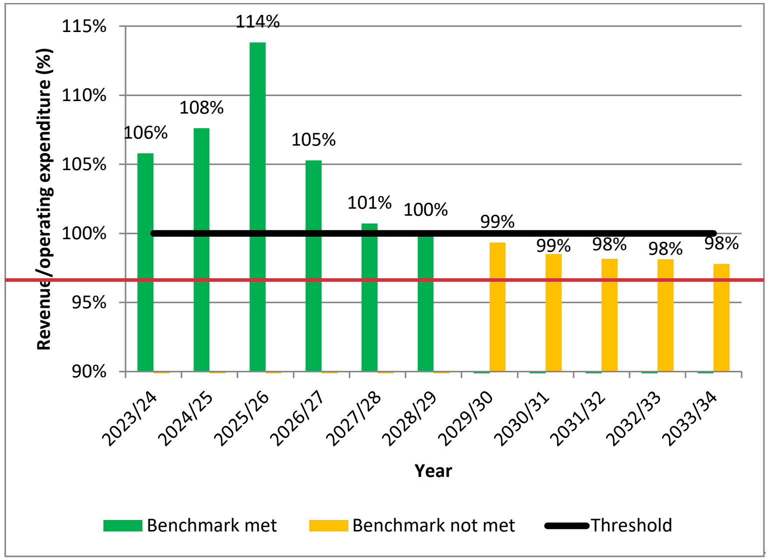
Balanced budget benchmark

The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, revaluations of property, plant, or equipment, and gains on sale of investment in associates) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The council meets this benchmark if its planned revenue equals or is greater than its planned operating expenses.

Where council does not meet this benchmark, this is due to some of the planned operating expenditure being initially debt funded and in some cases is then rates funded to repay the debt for the purposes of inter-generational equity. The first three years includes capital revenue for the sludge minimisation facility.



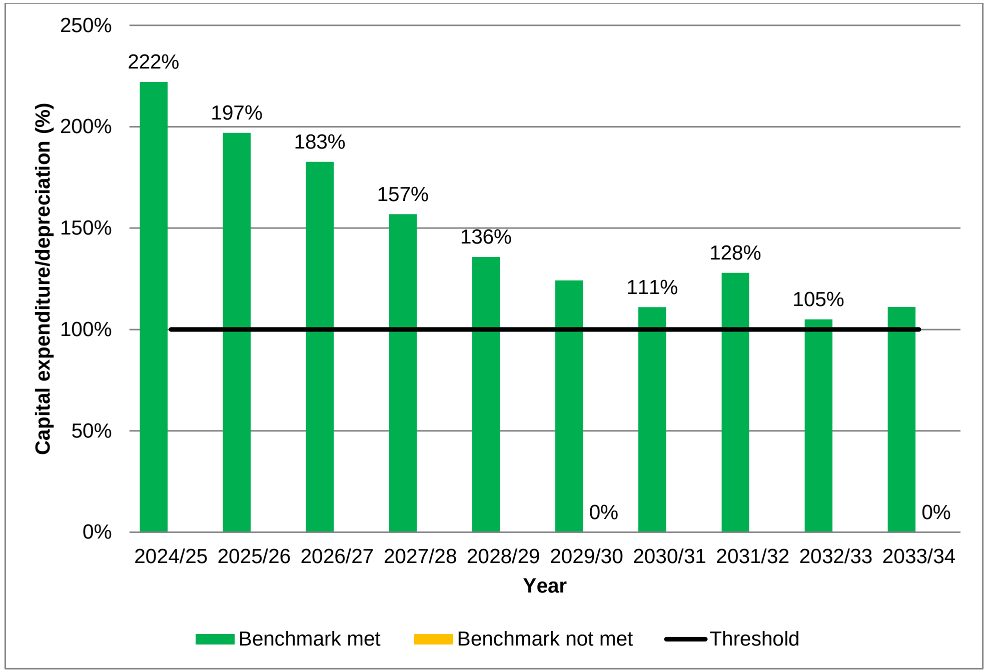

Revenue/operating expenditure (%)
115%
110%
105%
100%
95%
90%
106%
108%
114%
105%
101%
100%
99%
99%
98%
98%
98%
2023/24
2024/25
2025/26
2026/27
2027/28
2028/29
2029/30
2030/31
2031/32
2032/33
2033/34
Year
Benchmark met
Benchmark not met
Threshold

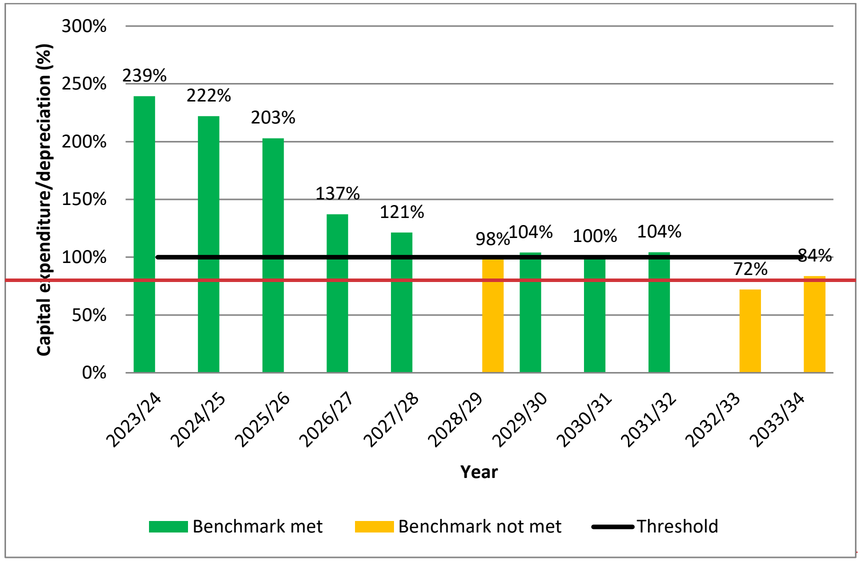
Essential services benchmark

The following graph displays the council's planned capital expenditure on network services as a proportion of expected depreciation on network services. Essential services comprise expenditure on the three waters and transport.

The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

In years 5 to 10 of the plan, the level of capital expenditure on network services falls below depreciation. This is driven by capital expenditure to improve levels of service occurring in the later years; the depreciation impact from this capital expenditure lags behind the investment. The depreciation is only for the existing assets in commission and is not related to the capital expenditure of assets yet to be commissioned.

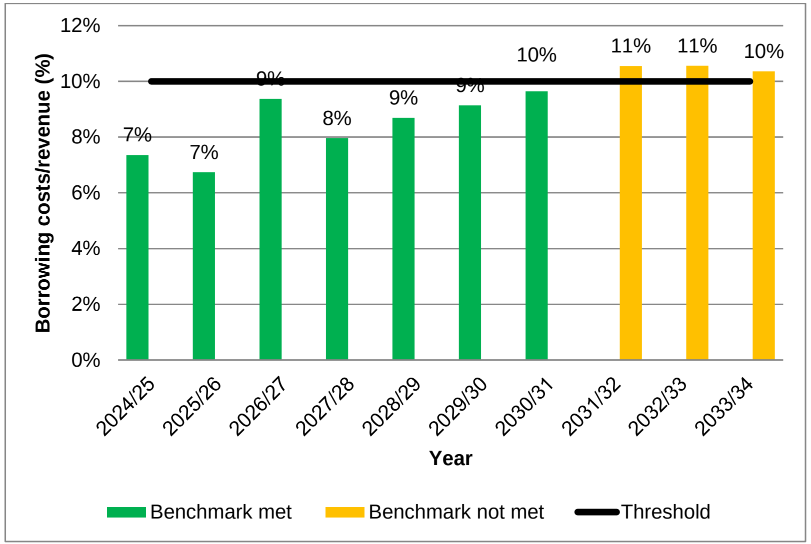


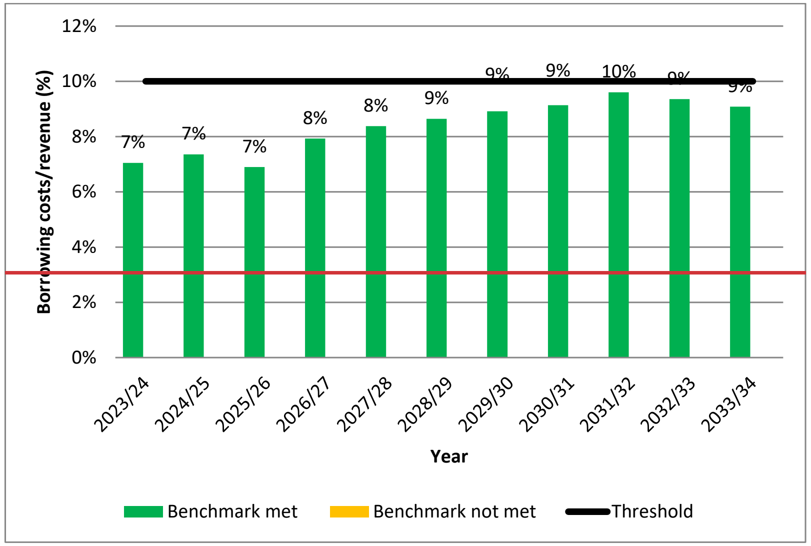

300%
250%
200%
150%
100%
50%
0%
Capital expenditure/depreciation (%)
239%
222%
203%
137%
121%
98%
104%
100%
104%
72%
84%
2023/24
2024/25
2025/26
2026/27
2027/28
2028/29
2029/30
2030/31
2031/32
2032/33
2033/34
Year
Benchmark met
Benchmark not met
Threshold

Debt servicing benchmark

The following graph displays the council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects the council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.




12%
10%
8%
6%
4%
2%
0%
Borrowing costs/revenue (%)
7%
7%
7%
8%
8%
9%
9%
9%
10%
9%
9%
2023/24
2024/25
2025/26
2026/27
2027/28
2028/29
2029/30
2030/31
2031/32
2032/33
2033/34
Year
Benchmark met
Benchmark not met
Threshold

Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

Infrastructure Strategy

13 Feb 2025

Contents

List of Figures

Introduction

He toka tū moana, ara he toa rongonui | Strong like a rock in the rapids

A city's infrastructure is crucial for residents to thrive and is often taken for granted. Poor infrastructure can have significant negative consequences, affecting environmental outcomes, public health and safety, and community and business confidence.

Local authorities play a key role in creating, regulating, and using infrastructure to deliver services to the community. About 40% of New Zealand infrastructure is managed by local governments, supporting various aspects of wellbeing.

Well-maintained infrastructure in the right location with sufficient capacity and resilience is integral to the economic prosperity and social wellbeing of Wellington's residents. The provision of fit-for-purpose infrastructure needs good asset management practices and integrated strategic thinking towards a long-term view of our infrastructure needs.

However, reliable and future-focused infrastructure is expensive, requiring prioritised and protected funding for renewals, replacements, and growth. This investment must be affordable, have intergenerational benefits and meet the Council's other investment priorities.

The provision and maintenance of the city's infrastructure requires good asset information, good asset management practices and strategic thinking. The Infrastructure Strategy, informed by the city's vision and outcomes, plays a role in the Council's long-term planning, and is required for a period of at least 30 years to inform the Long-term Plan (LTP). The strategy aligns with strategies and asset management plans and sits alongside the Financial Strategy.

In addition, the development of this strategy and future decision making is informed by the advice of the 2023 Citizens Assembly Pilot. Relevant recommendations of the Assembly are that:

- The Council reviews its capital expenditure programme by prioritising spend and spreading capital expenditure over a longer period based on availability of funds.
- Within funding constraints, the Council prioritises:
  - Looking after the assets we've got before building or acquiring new.
  - The most cost-effective way to look after their existing assets.
- When the Council is repurposing Council buildings and land in urban areas that they prioritise green space where suitable and practical.
- The Council prioritises and advocates for infrastructure development that supports medium to high density housing.

Purpose of the Infrastructure Strategy

The Infrastructure Strategy sets the scene for the Council's decisions relating to the city's infrastructure over the next 30 years. It is a statement of current assumptions and thinking on what is required to address the major challenges and issues facing the city, what to prioritise. It also identifies risks associated with infrastructure underinvestment. The strategy defines:

- The nature of the challenges we face.
- Our approach and options for dealing with those challenges and the associated implications.
- How we intend to manage those challenges and implications to meet the needs of current and future generations.

While the strategy provides an indicative estimate of future infrastructure needs, it is not a budget and by itself does not commit Council to any future project, cost, or timing.

Scope of the Strategy

Infrastructure is the hardware that enables the delivery of the Council's services and provides for amenity. The Council manages a substantial portfolio of infrastructure assets for the city valued at approximately $10 billion. Approximately two-thirds of these are core horizontal infrastructure assets for the provision of three waters services and transport.

This strategy outlines the Council's approach to managing and investing in the city's infrastructure including what will be required, when, and how much it will cost.

It covers the following infrastructure types:

- Water supply
- Sewerage and the treatment and disposal of sewage
- Stormwater drainage
- Buildings - including civic buildings, venues and social housing
- Land Transport – roads, footpaths, streetlights etc
- Waste – landfill
- Parks and Open Spaces
- Community and Recreational Facilities

We have achieved a lot since the last strategy. The Council has undertaken a programme of work to help make more informed strategic decisions about our infrastructure and investment in our city's future. This includes gaining better knowledge of our infrastructure and the costs associated with achieving the city's growth ambitions set out in the Spatial Plan. We have achieved the following:

- Significant improvements to our asset management approach.
- Asset Management Plans now underpinned by high quality data, including for vertical infrastructure where data has been gathered from surveying 372 Council buildings.
- Well-developed renewal plans for most classes of assets.
- Three Waters Growth Studies to help understand the level of investment needed to support remediation and growth.
- Adopted a community facilities plan (Te Awe Māpara) to help guide the Council's provision and decision-making about community facilities for the next 30 years.
- Adopted Paneke Pōneke the bike network plan and delivery programme.
- Developed the Te Ngākau Framework to guide decision making for the civic precinct.
- Developed and adopted a Green Network Plan to guide the greening of the central city over the next 30 years.
- Adopted a new open space and recreation strategy- Te Whai Oranga Poneke, providing an overarching framework and strategic direction to manage public open space and recreation programmes and services over the next 30 years.
- Completed an open spaces provision assessment and developed a 30-year investment plan.
- Initiated a project to develop a federated asset database of all underground assets - refer to Projects - Wellington Underground Asset Map - Wellington City Council assets.
- Undertaken a housing and building assessment to better understand actual housing and business demand.
- Developed an integrated transport/urban development plan which is a key climate change mitigation response.

- Notified a new Proposed District Plan to regulate the city's built environment and open space.
- Started Climate Adaptation Planning for the city.
- Started Task Force Climate Related Financial Disclosures work to better understand the financial risks associated with climate change for the city.

A number of these workstreams have allowed us to obtain and develop better baseline data which will help to guide prudent, timely investment decisions and to strategically manage our infrastructure and community assets. However, there is still some work to complete to help the Council obtain a better picture, namely in the areas of climate adaptation planning and the financial risks associated with climate change for the city. For further information see Challenge 3 Challenge 3: Mitigation and adaptation to climate change on page 15~~13~~.

Strategic Context

Our infrastructure supports our wellbeing

Wellington city is both the capital of New Zealand and the heart of the Greater Wellington region. The strength of the city's economy is vital to the economic wellbeing of the region and to New Zealand as a whole. Wellington attracts a diverse range of people and is home to 216,200 residents. By 2034 our city is projected to grow to 230,000 and 270,000 residents by 2054.

The mix of city and natural environment is unique and highly valued by the community. We have 4,305 hectares of parks, reserves, and beaches to enjoy along with 387km of recreational walking and mountain bike tracks. These assets are significant contributors to quality of life, and a key reason people choose to live and work in Wellington. In 2021, Wellington city ranked number one in the world for environmental security, due to our extensive investment over the past 30 years in biodiversity regeneration and pest eradication. This ranking also considers how the city has incorporated sustainability in its urban planning to reduce carbon emissions and manage climate risks.

Wellington is well known for its strong arts and culture scene. The performance venues, galleries and museums provide the opportunities for cultural expression, strengthening our identities, participating in, and sharing our creativity. They are the infrastructure for acknowledging, experiencing, and participating in culture and creativity of our past, present and future and underpin the creative economy which distinguishes Wellington from other New Zealand cities.

We have also made a strong commitment to Te Tiriti and mana whenua through our Tākai Here partnership agreement and Tūpiki Ora Māori Wellbeing Strategy. These are relatively new mechanisms and aim to achieve strengthening partnerships across infrastructure priorities, incorporating te ao Māori into infrastructure design, planning, and delivery, and unlocking the potential for Māori success through infrastructure.

Wellington's social and economic wellbeing stands on the foundations of transport and three waters infrastructure that enable us all to connect between home, work, and leisure activities. The buildings, public and green spaces that stand on these are essential for enabling the activities that deliver a high quality of life and economic activity. These infrastructures are facing the challenges of serving a growing city that expects higher environmental standards and resilience whilst addressing stresses resulting from past events such as earthquakes and pandemics, funding decisions and uncertainty stemming from ongoing legislative reform.

Climate change will also have a more noticeable impact on the future form and function of our city as we are a harbour city surrounded by water. A substantial percentage of our central city sits on reclaimed land and there are already issues with seawater infiltration on underground assets network. As the city has expanded, we have constructed over natural paths where water would naturally flow and reduced the ability of the ground to absorb water. This affects our ability to efficiently drain rainwater.

Dealing with the impacts of climate change is a big challenge for Wellington's infrastructure. In the past 20 years, there has been a growing focus on creating sustainable infrastructure – finding smart ways to meet our infrastructure needs while lowering emissions and handling the risks posed by climate change. As a coastal and harbour city with steep hills that are prone to slips, future adaptation costs are also expected to be material.

The external environment has changed

Covid-19 is now part of our lives and the immediate impacts have passed. However, other world developments such as the war in Ukraine and ongoing supply chain issues has contributed to global inflation and cost of living increases, here and around the world. The experience of Cyclone Gabrielle in Hawkes Bay, Gisborne and Auckland has exacerbated this, and demonstrated the effects of climate change.

This strategy has been developed during a period marked by unprecedented demands on the Council's budget. The heightened cost of living has elevated concerns about the affordability of council services among Wellingtonians. The financial pressures faced by the Council stem from the necessity to maintain existing infrastructure and assets, incurring higher costs in an inflationary climate. This financial commitment extends to investments in aging infrastructure such as three waters and earthquake-prone buildings, as well as funding initiatives that contribute to ensuring a high quality of life for all residents in the future. We are also experiencing a changing insurance market, higher premiums, less cover and are having to take on more risk.

The repercussions of these challenges are evident in their impact on both residents and the Council:

- The costs associated with our services and ongoing projects have surpassed the initially projected figures in our 2021-31 LTP, mainly due to escalating construction costs resulting from inflationary pressure and scarcity of resources. Making additional capital investments in the current market more costly.
- The expense of maintaining the status quo has increased significantly. Looking after existing assets through the requirement to account for depreciation, interest, and insurance, accounted for 49% of our rates revenue for 2022. The upkeep of ageing assets presents a significant financial burden.
- Households and businesses find it increasingly difficult to absorb cost increases.

The economic landscape has rendered the pursuit of fiscal sustainability and the provision of essential services more challenging for both the Council and the community. Furthermore, the current government has plans to reduce central government costs, which may have implications for the potential of seeking financial support from the government.

Outcomes and priorities

As with all activities in the LTP, this strategy draws strategic direction from the outcomes and priorities set for the 2024 LTP. The management, maintenance, renewal, and strategic investment in infrastructure seeks to enable the Council to achieve the community outcomes:

- A welcoming, diverse, and creative city.
- A city of healthy and thriving whānau and communities.
- An innovative business friendly city.
- A liveable and accessible, compact city.
- A city restoring and protecting nature.

There are nine priorities that will also guide investment decision-making:

- Fix our water infrastructure and improve the health of waterways.
- Transform our waste system to enable a circular economy.
- Collaborate with our communities to mitigate and adapt to climate change.
- Transform our transport system to move more people with fewer vehicles.
- Invest in sustainable, connected, and accessible community facilities.
- Increase access to good, affordable housing to improve the wellbeing of our communities.
- Revitalise the city and suburbs to support a thriving and resilient economy and support job growth.
- Celebrate and make visible te ao Māori across our city.
- Nurture and grow our arts sector.

We must also embed the strategic approaches in everything we do:

- Integrating te ao Māori.
- Making our city accessible and inclusive for all.
- Embedding climate action.
- Engaging our community.
- Value for money and effective delivery.

Operating within an uncertain legislative and regulatory environment

There are many external factors that impact how we plan, manage, deliver, and operate our infrastructure. Although many of these are beyond the control of the Council, it is important that we continue to monitor and respond to them to ensure that our infrastructure plans remain fit-for-purpose by responding to emerging issues and taking advantage of new opportunities.

The Council undertakes a scan every three years to provide relevant context and information to assist with the development of the LTP and infrastructure management planning.

The 2017-2023 Government began an extensive legislative programme encompassing three waters, resource management, local government, and climate change. The election in 2023 has resulted in a coalition government that has committed to the repeal and subsequent reform of this programme. This impacts the Council's roles as a funder, provider, regulator, and planner of infrastructure.

These uncertainties are summarised below:

- **Three waters reform** – The coalition government has repealed the three waters legislation passed by the previous government. The new government is ~~continuing to develop responses to the challenges of the water sector~~ implementing its Local Water Done Well reform. It requires all councils to prepare a Water Services Delivery Plan (WSDP) to submit to the Department of Internal Affairs by 3 September 2025. The WSDP must contain information about the current state of water services and assets, as well as the proposed future delivery model to ensure water services are financially sustainable by 2028 Council's preferred delivery model is a regional Council Controlled Organisation; however, this outcome will not be confirmed until after consultation in March-April 2025, and will also be subject to decisions to be made by other regional territorial authorities.

- **Resource management reform** – The coalition government has repealed the Spatial Planning Act and Natural and Built Environment Act and have committed to further reform to the Resource Management Act.
- **Transport Policy** – The coalition government has withdrawn national government involvement in Let's Get Wellington Moving. It has also introduced a new Government Policy Statement (GPS) Transport, which has deprioritised public transport, walking and cycling and placed a greater emphasis on Roads of National Significance. The GPS Transport has influenced transport funding decisions under the recent National Land Transport Plan.
- **Infrastructure reform** – The coalition government ~~plans to~~ has established a National Infrastructure Agency to coordinate government funding, connect investors to Aotearoa infrastructure and to improve funding, procurement, and delivery processes.
- **Climate adaptation** – With the repeal of the Resource Management Act and the change in Government there is more uncertainty on how Councils should be adapting to a changing climate.
- **Future for local government review** – The coalition government has indicated city deals and other tools to address funding issues.

For more information refer to the LTP 2024 Assumptions.

Significant Assumptions and Infrastructure Challenges

Significant Assumptions

The Long-term Plan outlines the Council's planned investment in the city over the next ten years and beyond.

Because not everything can be known about the future, the Council makes assumptions to underpin its Long-term Plan. Examples of assumptions include population growth and interest rates, through to funding sources and government reform of the sector.

These are updated every three years as part of the Long-term Plan process. Refer to the Significant Forecasting Assumptions for the 20245 Long term Plan Amendment [insert link] for more detail.

A summary of the Council's Significant Forecasting Assumptions relevant to infrastructure are summarised at a high level below, and some are also outlined in more detail in the "Challenges" section of this Infrastructure Strategy.

Growth

The long-term population forecast for Wellington City is growth of between 50,000 to 80,000 over the next 30 years.

Earthquake hazards

The assumed risks of a significant earthquake are in line with Wellington lifelines planning and relate to likelihood of earthquakes at different scales on the Modified Mercalli Intensity (MMI) scale. Likelihood is captured in the table below.

MMI level	Average return period

MMI7	~30 years
MMI8	~120 years
MMI 9	~400 years
MMI 10	~1350 years

Climate change

Climate change will have physical impacts for the Council (damage to assets and disruption of services) with cascading impacts in the social and economic domains, in line with Ministry for the Environment's global emissions scenarios as informed by the Intergovernmental Panel on Climate Change (IPCC).

Wellington is projected to experience increased risks of coastal storm surge, an increase in hot days, a rise in annual average temperatures, higher frequency, and magnitude of flooding events, both exacerbated by sea level rise and increased volumes of water during rainfall events.

Asset lifecycle

The asset life of key assets is included in the Significant Forecasting Assumptions document. It is assumed that assets will be replaced at the end of their useful life. It is also assumed that:

- most of the significant assets will continue to be revalued every 3 years.
- assets will be replaced at the end of their useful life.

Layering this assumption with the target to fund renewals at 75% of the unconstrained budget means that we will need to accept some asset failures.

Future choices may be required, where some assets will need to be closed, replaced and/or decommissioned as a result. However, part of the strategy is about ensuring we are strategic and rationale with the assets we own, maintain and build, and this includes being clear that there is a need for the assets.

Other assets cannot be decommissioned, such as for water services, and will need to be repaired to keep operational. It is assumed that a review of the service delivery model and funding model will mitigate this risk over the longer term.

Changes in demand for services

For this 10-year plan we assume that the current demand for Council services and customer expectations regarding business-as-usual levels of service will not significantly change during the planning period beyond what is specifically planned for and identified in this 10-year plan and supporting documents. As a result, it is assumed that there will be no significant additional impact from level of service changes on asset requirements or operating expenditure.

Changes in levels of service

This Long-term Plan and Infrastructure Strategy includes planned level of service changes for some areas like transport and waste. In other areas investment is strongly focused on managing the demands of growth, improving asset performance to meet existing levels of service (such as water), or returning levels of service to previous levels (such as. earthquake strengthening).

Land Transport Funding

The National Land Transport Plan (NLTP) funding is lower than was assumed in the 2024-34 LTP. This amounts to lost revenue of approximately $68m over years 1 to 3 of the 2024 LTP. Due to this, further reductions of $130m are required to the capital programme to ensure there is no impact on our debt capacity.

We assume the Central government funding for Transport renewals and maintenance of 51% for 80% of the programme.

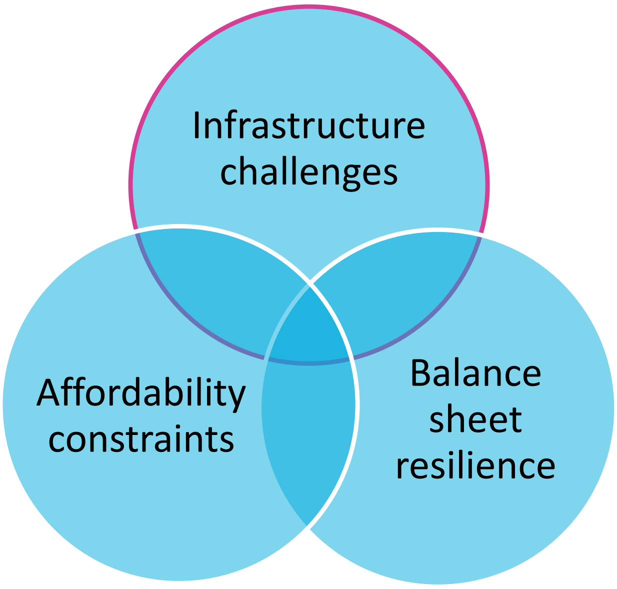
Water reform

In response to the Local Water Done Well reform process, we assume that from 1 July 2026 water infrastructure will be transferred to a new regional water service entity.

Significant Infrastructure Challenges

The focus of this strategy is addressing our infrastructure challenges. These challenges are heavily linked to the financial challenges, which are addressed in the Financial Strategy.

- Affordability constraints are challenges both the Council and residents of the city are facing. With higher interest rates, a greater proportion of rates income servicing our increasing debt, and with current high inflation, our money does not stretch as far. For residents, the ability to pay more rates is limited, and the Council's operations will need to find ways to deliver in a constrained funding environment.
- Balance sheet resilience addresses the challenges of managing our capital expenditure and investments to support long-term financial sustainability and resilience.



This is a strategy that identifies significant challenges and issues for our infrastructure over the long term, providing signals for where investment or divestment may be needed.

It does not commit us to funding them but helps us to make more strategic decisions. It informs the work programmes that we need to be able to make these big decisions.

Infrastructure challenges are significant infrastructure related problems that need long-term planning – a long lead in time for planning the interventions, several years of investment to deliver, and generally a long tail off period.

We have identified five infrastructure challenges, with several contributing factors:

1. **Population growth and changing demand**
    - Population growth and ageing demographic profile.
    - Lack of growth capacity in transport and three waters systems.
    - Changing community needs and service use patterns.
2. **Aging and declining condition of infrastructure**
    - Some assets have exceeded their useful life.
    - Historical lack of a coordinated, data-based approach to asset management, data maturity resulting in under investment in maintenance and renewals.
3. **Mitigation and adaptation to climate change**
    - Global warming.
    - Increased frequency and intensity of extreme weather events.
    - Coastal hazards.
    - Climate adaptation costs.
4. **Earthquake hazards and earthquake prone buildings**
    - Landslides.
    - Earthquakes.
    - Earthquake prone buildings.
5. **Affordability and deliverability**
    - Limited funding tools.
    - High inflation putting pressure on construction costs.
    - Constrained capacity of the construction market to deliver.
    - Increasing insurance costs.

Challenge 1: Population growth and changing demand

We need to future-ready our infrastructure to serve our growing and changing population, so that we can foster liveable, safe, low-emission neighbourhoods and travel.

Population growth and ageing demographic profile

Wellington has sustained a steady 1.2% population growth per year from 1998 to 2018. The forecast growth rate going forward is lower at 0.8% per year. This will still result in between 50 to 80 thousand extra people over the next 30 years and require approximately 24,000-31,000 more housing units.

Many infrastructure networks require investment to support this forecast growth. The Council is planning to accommodate the growth of the city predominantly through intensification of existing urban areas and along key public transport corridors as set out in the Spatial Plan and Proposed District Plan. This will require new infrastructure including higher capacity public transport corridors to sustain growth, and existing infrastructure to be upgraded.

Forecasts indicate steadily ageing population and smaller households as family sizes continue to decline. The population is seeing an increasing proportion of people in the 55-to-85-year age brackets, and the 20-to-30-year age group. There is a decreasing proportion of the population in the under 20-year age bracket and the 30 to 50 age group. National population projections from the 2013 disability survey indicated a 45% increase in disabled population to 2038 compared with 31% increase in total population. The same survey indicated nearly 60% of people over 65 identified as disabled. Changing demographics affects the range of services we need to provide and demands on networks across the city – and long-term changes to household size, more intense and mixed land uses, and accessibility requirements.

Housing and Business Demand

A Housing and Business Needs Assessment (HBA) has recently been completed by the Council. This has been prepared to meet the monitoring requirements of the National Policy Statement for Urban Development (NPS-UD). It also serves as a chapter of a the wider Wairarapa Wellington-Horowhenua region HBA. The Wellington Regional Leadership Committee (WRLC) will use the regional HBA to support spatial and other planning activities for the region, including the Future Development Strategy (FDS).

This report is a snapshot in time and is regularly reviewed and updated to ensure that it captures the most current information about the market. This most recent report has highlighted:

- We have enough business land to supply the market in the medium term (up to 20 years) but beyond this, redevelopment will need to occur, or the demand will be met elsewhere in the region.
- There is higher demand for business floorspace and land resulting from higher growth over the 2019 assessment period, with an identified demand of 597 hectares, or 691 hectares (NPS adjusted), in the next 30 years.
- Wellington has a requirement for 30,407 dwellings over the next 30 years.
- There are known infrastructure issues across the city. A long-term investment plan is required to resolve this and unlock the development opportunities across the city. Infrastructure to support growth needs to be prioritised in the Central City, Newtown, Tawa and Johnsonville, where the greatest demand for housing is expected over the medium-long term.

Approximately 60% of the Wellington region’s jobs are concentrated in Wellington City with the majority of those located within the city centre which is expected to remain the primary economic hub for the region.

This growth will mean that there will be increased pressure on our water and transport networks due to their existing capacity issues.

Lack of capacity in transport and 3 waters systems

Three Waters Capacity

The current infrastructure networks are being stressed with existing demand, the age of the assets and changing weather patterns. This is evidenced by the following.

- Significant flooding
- Wet weather wastewater overflows
- Wastewater discharges into freshwater and coastal environments
- Low water supply pressure and insufficient fire flows
- Low water supply storage volumes in reservoirs
- Leaking pipes
- Water supply fragility

This is primarily due to the age and poor condition of our water assets which were designed at a time to service a smaller population, less housing and different weather patterns.

As the city grows, the pressure on our water systems will increase. To handle this growth and meet the required standards, we will need to invest more in our water networks. This includes meeting higher environmental standards and preparing for climate change. Wellington Water Limited monitors our three waters capacity when resource and subdivision consents and service connection requests come in. They have recently advised the council that in the short-term they will still approve service connections for non-complex and smaller scale developments and that in the medium term (up to 10 years) network deficiencies can sometimes be addressed using onsite mitigation solutions such as on-site detention tanks and pumps.

Recent advice received from Wellington Water Limited through the recent Housing and Building Assessment process and the District Plan Hearing Processes have indicated that we have enough capacity in the short term for our three waters network but will face capacity issues in the medium to long-term.

To accommodate future population growth in Wellington City Council area, there will need to be significant upgrades to 3-water infrastructure, with intervention needed to meet growth in the following way.

- Central City (in Te Aro, Adelaide Rd), Newtown, Johnsonville, Tawa – immediate and significant intervention to meet short term growth forecasts to create development capacity in the 3- water networks.
- Newlands, Mt Cook, Mt Vic, Hataitai, Aro Valley, Berhampore, Island Bay, Khandallah, Ngaio, Crofton Downs - short term interventions to meet medium-term growth forecasts and create development capacity in the 3-water networks.
- Karori, Kelburn, Brooklyn, Thorndon, Churton Park, Lyall Bay, Kilbirnie, Miramar – medium term intervention to create development capacity in the long term.
- Greenfields – short to medium term structure planning in place to lead long term outlook for future development led by others.

Transport

Due to our topography, we have limited ability to add or widen corridors for our transport network. We also have a limited amount of east west connections across the city as the city has developed in a north south direction. This lack of capacity shows up as congestion on the roads and creates safety issues, especially for vulnerable road users.

To maximise the safety and efficiency of our network, as well as increase the provision of safe convenient and reliable low carbon options, the Council's approach is to reallocate some space away from inefficient private vehicle traffic lanes and parking to higher capacity public transport and active mode corridors. The bus network plays a critical role of moving people around Wellington City, but on many key corridors' busses share the general traffic lanes and as a result, there are bus infrastructure constraints and pinch points which make it difficult to increase bus capacity and achieve reliable journey times.

To enable a transport system that is fit for the future, we need to continue our work to encourage mode shift. In recent times, this has been delivered by the Council's own Bike Network programme. The Let's Get Wellington Moving (LGWM) programme has been the main mechanism to help deliver on this with the key enabler being the development of a Mass Rapid Transit (MRT) system in the form of light rail from the railway station to Island Bay. The LGWM programme was a partnership with the Regional Council and the New Zealand Transport Agency Waka Kotahi.

This programme and partnership has been disestablished. However, some projects have been moved to the relevant organisation to progress design development and delivery. The Council has assumed responsibility for the Golden Mile Project, the Thorndon Quay Hutt Road Project, some targeted improvements along with an urban revitalisation project in the vicinity of the Basin Reserve. We will also be developing a reset of the City Streets programme of bus priority measures and bike network development in streets to and through the central city, and in the first 3 years progressing priority projects including the second spine along parts of the previously considered MRT route.

The ~~New Zealand Transport Agency Waka Kotahi are responsible for the delivery of~~ government has identified a second Mt Victoria Tunnel and duplicate Terrace tunnel as a Road of National Significance (RoNS) in the GPS Transport~~ and Basin Reserve upgrade, in alignment with the Government's expectations.~~ The government expects that the second Mt Victoria tunnel and Terrace duplicate tunnel will reduce gridlock traffic in the Wellington CBD and support economic growth.

The Petone to Grenada Link Road and the Cross Valley Link has also been identified as a RoNS. Once delivered, this project is expected to improve transport network resilience and support greenfield development in the Grenada catchment.

To deliver the necessary changes in our transport system, considerable investment will be required for decades, either through government or some other funding mechanism.

Changing community needs and service use patterns

Infrastructure is intergenerational. Over time, older infrastructure may not deliver a service to the quality and universality that meet the expectations of our community and its needs into the future. Conversely, service usage patterns change over time resulting in lack of utilisation of some assets. Wellingtonians expect high quality and universally accessible services, that are inclusive and support people to thrive.

Community facilities were developed in response to suburb growth and the aspirations of that time. Many community facilities reflect the way we lived then, when suburbs were tightly defined, and travel was more limited than it is today. As a result, the distribution of facilities is uneven and inequitable across the city.

Looking forward, we expect that intensification along key public transport routes will occur and will be primarily delivered through apartment and terraced housing units which means people will be living differently and will interact with our infrastructure differently. For example, apartments have limited personal outdoor living areas, so there will be a greater need for shared outdoor public spaces for connection / recreation within communities. The road network makes up the largest area of public space in the city, and improvements to urban amenity are needed to improve liveability as part of projects which reconfigure the streetscape.

As our population gets older, there is a risk of more people feeling socially isolated. To tackle this, it is crucial to create more places where people can connect and socialise, which is important for everyone's wellbeing. Additionally, we are aware that staying active is increasingly important, so we should make sure there are enough spaces for exercise.

People's preferences and needs are changing, and we should expect a wider variety of activities in our facilities to meet these evolving needs. These evolving needs include making sure our facilities are easily accessible, to ensure everyone can use them without difficulty. Inclusivity is an aspect of this accessibility, so we should aim to have more facilities that are suitable for all genders, cultural identities, and ages. Addressing these aspects is vital for building a community that is healthy, diverse, and welcoming for everyone.

Challenge 2: Ageing and declining condition of infrastructure

Assets that have exceeded their useful life

Investment in infrastructure tends to be lumpy. Much of the city's infrastructure was built in waves when parts of the city were urbanised. A sizeable portion was built after the Second World War and are approaching end of life over the next 30 years.

The three waters networks have a substantial number of assets that have exceeded their expected useful life, and the network requires significant investment to be fit for purpose. As with many of our assets, our water assets are ageing faster than renewals are occurring. Water loss from the network is at approximately 40% which is well above international benchmarks. In high rainfall events stormwater enters the wastewater network causing overflows which impacts streams, the marine environment, and low-lying habitats.

The average age of our community facilities is 58 years. The older age contributes to deteriorating condition, increasing maintenance costs, and declining appeal. We have many facilities, and the quality and level of service needs to improve. To afford quality and level of service improvements, we will need to take a strategic portfolio view of what we have and need and making some tough decisions in the coming years.

The number of assets, proportion that are nearing the end of their useful life, and the increasing costs of materials and labour is a significant contributor to rates increases and our ability to replace or upgrade assets. The pure volume of infrastructure needing to be renewed is expensive, without the additional affordability issues in the current operating context.

Historical lack of asset management, data maturity and under investment in asset maintenance and renewals

Since the last LTP we have been working hard to improve our asset management maturity and data to enable our spend programmes to be more proactive rather than reactive. Our understanding of our assets is improving and the information we have on of some of our assets is becoming clearer.

The need to invest to maintain our assets is a significant cost that all Council’s across New Zealand face, and the investment we make needs to be made at a level that is sustainable to ratepayers. Recent condition assessment of all the Council’s vertical infrastructure now provides an opportunity to minimise investment. With this knowledge we can support financial affordability by postponing some maintenance and renewal work on non-critical assets in the short term and increasing renewal spending in the outyears. The organisation will carry some additional risks to its infrastructure in the short term, but these are manageable and whilst there will be some catch up required in the outer years, with continued improvements in our planning and smart investments, we can find solutions to this challenge.

Challenge 3: Mitigation and adaptation to climate change

Global warming

Globally and locally, the community’s expectations are to reduce emissions and contribute to the global need to keep global warming below 1.5%. Every city must play their part in this challenge. Our city's infrastructure, including transportation and waste systems, plays a key role in where we live, how we move around, and the industries we support. However, much of this infrastructure was planned and built before we considered the impact on carbon emissions. To reach our goal of a 57% reduction in emissions by 2030 and achieve net-zero carbon by 2050, we must rethink and redesign our infrastructure.

Increased frequency and intensity of extreme weather events

Changes in the climate system are changing the probabilities and patterns of weather events leading to stresses such as prolonged periods of rain and shocks, for example extra-tropical cyclones. The notable recent example is Cyclone Gabrielle which impacted Northern and Eastern New Zealand in February 2023. Infrastructure is built up over an extended period to designs which anticipate a certain pattern of use and resilience needs. Our infrastructure design needs are changing as more frequent and impactful weather events and the stresses that come from higher sea levels and our changing climate is emerging.

The national, regional, and local infrastructure our communities rely on are exposed to due to climate change impacts. These impacts are already being seen in the city's most vulnerable environments with issues in drainage and more frequent slips. As a steep coastal city with many of our lifelines and other critical assets situated at or near sea level, the functioning of our city depends on adapting and building resilience to climate change.

To understand this risk Council has used the NIWA climate change modelling for the Wellington Region in our assumptions (Appendix 1 – NIWA forecasting assumptions). These assumptions predict that Wellington will experience rising sea levels, as well as increases in average annual temperatures, annual rainfall, and rainfall intensity, and increases in wind intensity and number of windy days, as well as more drought-like conditions.

As a result of climate change, Wellington is anticipated to experience increased risk from natural hazard events including floods, landslides, storm surge, coastal erosion, and inundation and landslides. These changes could contribute to loss and damage to infrastructure as well as biodiversity losses, environmental harm, and threats to social, cultural, and economic wellbeing.

Council is undertaking a number of activities to better understand the exposure of infrastructure to climate risk to better understand the risks and needs for investment in climate resilience. The planned Climate Change Risk and Vulnerability Assessment will build on the recently completed qualitative climate risk assessment under the Taskforce on Climate-related Financial Disclosures assessment framework. It will be a quantitative impact assessment of climate change on the Council's infrastructure, starting with its most critical assets aimed at identifying the potential financial impacts from physical risks.

Coastal Hazards

Wellington is a city with low lying areas along the coast and steep hills surrounding them. The primary climate impacts revolve around flooding, coastal erosion, and coastal inundation due to rising sea levels. Some areas, including parts of the city centre, are projected to be below high tide levels by the end of the century. While hardened shorelines may reduce risks to infrastructure, coastal and intertidal ecosystems and species in developed areas face increased risks due to habitat compression, potentially leading to biodiversity loss. Rockfalls, slips, and landslides are expected to escalate with extreme rainfall events, posing cascading impacts on social and economic well-being.

The city has areas close to sea level, and during high tides, the sea can block the drainage systems. In some low-lying areas, water can get trapped, especially during high tide. As sea levels rise, this trapping of water is expected to last longer, causing more instances of flooding even on dry days. This can make it harder for the drainage systems to cope with rain, leading to more flooding in the city. Rising sea levels and more intense rainfall due to climate change make these flooding risks worse over time.

The coastline of Wellington has been developed with various infrastructure like seawalls, sewers, and transportation networks. Various parts of the coastline face different challenges. In the inner harbour, there are concerns about the age and condition of seawalls protecting pipes and streets. If these walls fail, it can affect transportation, pipelines, and may release pollutants into the harbour. On the more exposed and active south coast, erosion and storm events can damage both infrastructure and property.

Wellington's coastal layout makes it susceptible to flooding and erosion. Climate change worsens these risks by increasing sea levels and intensifying rainfall, making it important to address these challenges to protect or adapt the city and its infrastructure.

Climate Adaptation Costs

The recent report from the Intergovernmental Panel on Climate Change emphasizes the growing complexity and challenges of managing climate change impacts and risks. To protect our city, we recognise the need for strategic planning and investment in both physical changes and adaptive measures.

Climate change is already affecting New Zealand, impacting its natural environment, economy, and communities. Without proactive adaptation, further climate-related changes are expected to significantly impact our infrastructure. Recent weather events underscore the exposure of Wellington's infrastructure to various climate-related impacts, such as extreme weather events, sea level rise, flooding, coastal inundation, erosion, landslides, and rising temperatures.

Future costs to the Council for making infrastructure more resilient will be material. Wellington’s coastal zone is at risk from ongoing sea-level rise and extreme storm tide events. Considerable areas of built-up areas, as well as important transport infrastructure, are exposed to rising seas. At present sea levels, 4084 buildings and 36.2 kms of roads in the Wellington region are exposed to a 1% annual exceedance probability storm-tide event, which rises to 14,336 buildings and 173 kms of roads under 1 metre of sea-level rise and 21,755 buildings and 319 km of roads under 2 metres of sea-level rise.

More community engagement regarding climate adaptation is planned over the next six years with Wellington’s coastal communities, and further work will also be undertaken to understand the cost implications on the Council’s own infrastructure networks.

It is crucial to note that current global estimates indicate that the cost of not taking action to address climate issues is seven times higher than the cost of safeguarding our current and future infrastructure. Recognising this fact, we must find innovative ways to fund climate resilient infrastructure.

Challenge 4: Earthquake hazards and earthquake prone buildings

Wellington faces a double threat from both earthquakes and the effects of climate change. The city is built on shaky ground due to its location on an active tectonic boundary, and climate change makes things worse by causing land to sink and saturating the soil in low-lying areas. This combination increases the likelihood and severity of natural disasters in the city.

Landslides

One big concern is landslides. Wellington's hilly terrain has a lot of rocky areas, especially where the city has cut into hillsides for roads and infrastructure. To deal with this, the city has built retaining walls and used other methods to stabilise the land. Landslides occur when the soils are soaked and can no longer hold additional water and self-support the land, causing significant disruption to transportation routes and pipelines. Extreme weather events over recent times have resulted in large number of slips on unsupported land, some of which have been significant, across the city.

Earthquakes

Another major risk is earthquakes. Wellington is more at risk of earthquakes compared to other cities in New Zealand. The dangers come from liquefaction (when the ground turns into a liquid-like state) and ground shaking. To address these risks, the city has set higher standards for building design, established civil defence systems, and uses digital measures to keep important infrastructure data safe outside the city. Resilience to earthquakes also involves making sure key services remain accessible and safe.

Because Wellington is a hilly city with many bridges and retaining walls, and limited access points, it is crucial to make these critical links resilient. This means ensuring they can withstand the impact of earthquakes and other natural disasters, so people can continue to access essential services and stay safe.

Earthquake prone buildings

In November 2016, we experienced a moderate earthquake that tested our city. It responded well, but there is more work to do to improve the city's resilience. To be a seismically resilient city, much of our infrastructure needs to be remediated, particularly buildings and facilities. Seismic resilience is also about ensuring safety and access to life supporting services.

Shifting central government guidelines has meant that buildings that were once up to code, over time no longer meet the required standards. Most recently, the Earthquake-prone Buildings Amendment Act 2016 introduced major changes to the way earthquake-prone buildings are identified and managed under the Building Act.

Many of the Council's buildings are not earthquake-prone, but some are, and require remediation. This includes a number of key public use buildings such as the Town Hall, the Central Library, Te Ngākau Basement, the Opera House, the Michael Fowler Centre, the Bond Store, as well as community facilities such as pools, libraries, community centres and recreation centres.

Challenge 5: Affordability and deliverability

Funding Tools

Local Government in New Zealand has a narrow range of funding tools available for funding infrastructure investments than other local government authorities around the world. Specialist tools that are available to Local Government such as Development Contributions or Financial Contributions are more easily deployed in greenfield (undeveloped land) developments rather than through brownfield developments. A recalibration of Councils approach and policies is essential for the 2024 Long Term Plan (LTP) to better capture growth requirements so that costs for growth can be recouped by those that generate the demand. Properly identifying growth as a component in our renewals program is crucial for adequately funding growth projects and avoiding difficulties in delivering them. This will be part of our improvement programme to better capture growth for development contributions in the 2027 LTP.

The wider systemic issues of Local Government funding remains a key issue. Local Government is continuing conversations with central govern to address this for the future.

High inflation putting pressure on construction costs

The costs associated with maintaining, operating, renewing, and upgrading infrastructure are substantial and have been increasing materially since the Covid-19 pandemic. This increase has been significantly more than the Consumer Price Index (CPI) that most households face.

Funding tools are limited, and while the Infrastructure Funding and Financing Act (IFF) provides an 'off balance sheet' solution whereby our debt to revenue ratio limit is not impacted by additional investment, the costs still fall to the community who themselves have affordability issues, particularly in this cost-of-living crisis. A greater range of funding tools has been a perennial request from the local government sector to central government to deal with this challenge. The Future for Local Government report has identified this as a priority area for central government to look at.

Constrained capacity of the market to deliver

Despite an increased capital programme, the market's capacity to deliver remains a concern. In recent years, the Council increased the capital programme, but deliverability has averaged 70-80 percent. In 2022, Civil Contractors New Zealand reported that the civil construction industry face major challenges including greater certainty for future projects, attracting, and retaining skilled people, cost escalations, and supply chain issues.

The impact of extreme weather events such as Cyclone Gabrielle have compounded the scarcity of construction resource, and costs are expected to be further impacted by low supply as workers are required to address the East Coast rebuild. Planning for a better long-term pipeline of expected infrastructure work will help the market to build capacity to deliver over time. Phasing of the capital programme to align it with our financial constraints provides a more sustainable and steady pipeline of work.

Regarding buildings, potential capacity pressure will occur as private building owners seek contractors for remediation of their earthquake-prone buildings. There are 571 earthquake prone buildings in the city, with many needing to be completed between 2027 and 2030. This number continues to change as requirements change and investigations are undertaken. The high concentration of strengthening needs in a short period of time places pressure on the construction sector and increases costs to building owners including ourselves. Key parts of the City Centre will become extended worksites and will need to be managed to ensure suitable access for residents and business. This disruption will also impact the vibrancy of the inner city.

Increasing insurance costs

The heightened exposure our city has to earthquake and climate related risk has led to steep increases in insurance costs, and the availability of cover has reduced. More broadly, due to the increasing frequency of extreme weather events here and overseas, the insurance sector is increasingly placing the costs where the risks lie, and this means the cost of insurance will continue to increase and the availability of cover will continue to reduce over time.

Public entities in Wellington and Christchurch currently pay higher premiums than other parts of the country due to the elevated risks of earthquake occurrence and future volatilities relating to climate change. While we have increased our fees and rates to accommodate some of this increase, we have also developed a risk and insurance strategy, considering limitations imposed by the insurance market and the natural hazards specific to the city. The strategy justifies the Council accepting an increased level of risk by no longer insuring our assets to the same level of cover as we have done in past years. The Council is also working on an insurance roadmap which outlines the work program for getting to the best risk position possible given the constraints from the insurance market and the natural hazard risks that impact the city.

We have insurance for natural hazard-related events on most of our infrastructure. Our assets are insured on a probable maximum loss basis for a 1-in-a-1000-year event. This means that we do not insure at a level to replace 100 percent of our assets, as there is a low level of risk that all assets would simultaneously be affected by a hazard event. We also have a self-insurance fund for below-excess claims.

When we are considering the level of acceptable debt relative to our limits, we are now careful to factor in a level of debt headroom needed for uninsured assets in the case of a significant hazard event. This elevated level of risk prompts a need for efficient management of infrastructure. Refer also to the Council’s financial strategy.

Responding to the challenges

Solutions to these challenges are not simple. There is also a better outcome if we think holistically. The following diagram illustrates the relationship between the challenges and the high-level responses.

Principal Options Key Challenges	Prioritising growth areas	Targeting emissions reductions to the greatest gains and operational efficiency	Grow our understanding of adaptation impacts and costs	Strategic rationalisation to better manage the overall asset portfolios	Prioritising interventions and the work programme for affordability
1.Population growth and changing demand	✓			✓	✓
2. Aging and declining condition of infrastructure				✓	✓
3.Mitigation and adaptation to climate change		✓	✓	✓	
4.Earthquake hazards and earthquake prone buildings			✓	✓	✓
5.Affordability and deliverability	✓			✓	✓

Figure 1: Relationship between challenges and principal options

As per the Challenges section, issues with water services are not our only challenge. Earthquake damaged and prone buildings are a significant challenge that are also extremely costly to remedy. In line with our Financial Strategy, we're balancing the books and making trade-offs across all of the Council's asset portfolios. Addressing the water services challenges is a critical quality of life and health and safety concern. It has implications for our city's ability to live, work and play. While addressing seismic issues of our buildings also has health and safety and economic impacts, we can delay some of this work and take stock of what we have and make strategic decisions about what we need before investing further.

Prioritising growth areas

Wellington's growth relies on investment in infrastructure that adapts to the changing population needs, location and expectations. Our guiding document is the Spatial Plan – Our City Tomorrow, adopted by the Council in 2021, which sets out an action plan for where and how Wellington City should grow and develop over the next 30 years. It projects a population increase of between 50,000 - 80,000 for Wellington City - requiring 24,000-31,000 more residential dwellings over the 30-year period. Most of this growth will occur by intensifying existing urban areas and along key public transport routes.

The key challenge lies in phasing investment to support growth and a well-functioning urban form. The Spatial Plan recognises the need to coordinate land use planning and infrastructure provision to deliver good cost-effective and affordable growth outcomes.

It also recognises the substantial scale of infrastructure investment required to address current network issues and support growth. The spatial plan identifies priorities over the next 10-20-30 years for major infrastructure investment focus to unlock the capacity of growth areas for new development. Tawa, Johnsonville, Central City (including Te Aro and Adelaide Road) and

Newtown were identified as priority growth areas over the short to medium term (within the next 10 years) because:

- They are captured by National Policy Statement on Urban Development intensification requirements.
- The areas could make a significant contribution to growth enablement and housing capacity.
- They have strong existing public transport, other services, and amenities, especially for three waters and transport.

The remaining investment to support growth can be made in this order however this can be flexible subject to where the demand is for growth, as per the chart below, subject to any upzoning decisions that may be made through the District Plan.

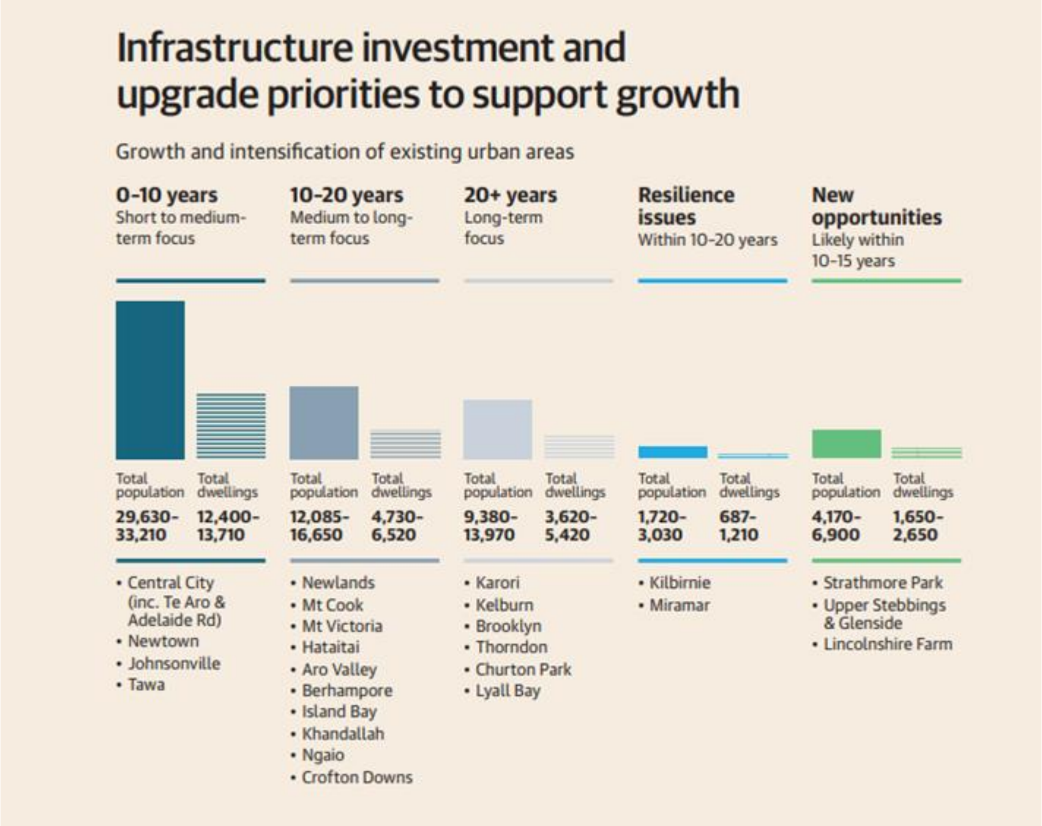


Figure 2: Housing growth priority areas

This approach guides decisions, even in our renewals programme, ensuring targeted investment aligned with our strategic city goals. Growth studies in our priority growth areas have allowed us to quantify the cost of growth, primarily in our three waters network.

This LTP is focused on making the existing water network more resilient. Growth will be a small component of renewals in delivering that resilience. More detailed growth planning in our priority growth areas will commence next Financial Year. This will produce more specific projects that will begin to appear in the next LTP to strengthen our three waters networks and enable growth.

Climate change response

Our approach to climate change involves not only addressing resilience challenges but also making strategic investments in infrastructure to reduce emissions. The impact of climate change is already evident in our transport network, where stormwater management plays a crucial role in our response. A key focus is on the transport system, as it is the primary contributor to our city's emissions, presenting a significant opportunity for emissions reduction and contributing to global efforts to limit warming.

Recognising the complexity of factors such as market capacity, funding constraints, and emission reduction requirements, we are committed to a strategic approach to renewals and infrastructure investment. Our goal is to be efficient and effective in finding low-carbon solutions that enhance resilience. Not only are these solutions environmentally friendly, but they are also cost-effective.

To achieve this, we are using tools like Lifecycle Assessment (LCA) and strategic impact assessments. These tools help us better understand and manage the climate-related aspects of our projects. The goal is to make sure that these sustainable infrastructure principles and tools are consistently applied across all council projects. This way, our decision-making processes for infrastructure development will be consistent and in line with our commitment to sustainability. To achieve this, we continue to improve our infrastructure planning and delivery in a collaborative and coordinated way across multiple disciplines including transport, housing, and water. We are aiming for an integrated, reliable network, emphasising green infrastructure to address natural hazards.

We have identified two pathways for addressing the challenges of adapting to and mitigating climate change.

- Targeting emissions reductions to the achieve the greatest gains and operational efficiencies.
- Growing our understanding of climate adaptation impacts and costs.

The rationale for these options are outlined below.

Targeting emissions reductions to the greatest gains and operational efficiency

In 2019, Wellington City Council declared a climate and ecological emergency, leading to the adoption of Te Atakura – First to Zero as our climate action strategy. Te Atakura focuses on three main objectives:

- Reducing the city's emissions to net zero by 2050, with substantial cuts before 2030.
- Achieving net-zero emissions for the Council itself by 2050.
- Enhancing Wellington's overall resilience.

Our city’s target is a 57% reduction in 2020 emissions by 2030, reflecting the urgency of action. The Council is also aiming for a 57% reduction in its own emissions by 2030 and net-zero emissions by 2050.

Considerable progress has been made, with a 10% reduction in city emissions since 2020 and a 44% reduction in the Council's emissions since the 2021 financial year.

The Council's Emission Reduction Plan (ERP) focuses on decarbonising assets through electrification, efficient landfill management, removal of fossil gas from buildings, and transitioning the vehicle fleet to electric alternatives. These actions are not just present-day investments but contributions to a sustainable future.

In trying to achieve these objectives the principal options are:

- Complete the lowest cost actions first.
- Focus on a few targeted actions that will achieve the greatest impact and operational cost efficiency.

While progress is underway, additional substantial emissions reductions are crucial to staying well below a 1.5 degree warming scenario. Immediate cuts are more impactful, emphasizing the urgency of our efforts. Reducing emissions at the organisational, city, national, and global levels is essential to prevent a world where the impacts of climate change outpace our adaptive capabilities, particularly beyond 1.5 degrees of warming. The Council acknowledges the significance of its emissions, particularly from landfills and certain facilities, and is actively working towards addressing these challenges, electrifying its fleet, and exploring alternatives for gas-heated pools. Degasification of the pools will contribute significantly to the emissions reductions target. In many cases investments in these climate mitigation measures will result in reduced operational costs as well. Our commitment remains firm – to reduce emissions for a sustainable and resilient future.

Grow our understanding of climate impacts and adaptation costs

Natural hazards already pose risks to our infrastructure, and climate change is expected to amplify the frequency and intensity of these events across the city. The physical risks from climate change may not only affect existing infrastructure in the next 30 years but are likely to increase over the longer term.

Due to the lifespan of carbon emissions in the atmosphere, many changes are irreversible. Therefore, it is important to support the city to adapt to the impacts of climate change, due to the long lifetime of infrastructure and assets (50 years or more), high upfront costs and limited flexibility. Understanding climate risks and embedding resilience from the outset is critical to ensuring assets meet their objectives in terms of serviceability, financial return and social outcomes.

We base our planning for climate change on modelling by NIWA for the Wellington Region, which predicts rising sea levels, increased average annual temperatures, rainfall, rainfall intensity, wind intensity, windy days, and drought-like conditions. This anticipates heightened risks from floods, landslides, storm surge, coastal erosion, and inundation, potentially causing loss and damage to infrastructure, biodiversity, and threatening social, cultural, and economic well-being.

While work is underway to better understand our climate change risk exposure, we do not currently have a complete understanding of the asset-level risks and options for adapting our infrastructure to climate change. Therefore, our principal option is to focus on gaining a systematic quantitative understanding of the localised impacts and developing adaptation plans anticipated in the next 30-100 years. Council has undertaken the first step having recently completed the 2023 Climate Risk Assessment Report (risk screening and qualitative assessment) and has led the development of the Wellington Regional Climate Change Impact Assessment.

These reports indicate that our climate change risk profile highlights that Wellington is likely to face increased exposure to various impacts, including coastal inundation affecting water, drainage, waste assets, Council buildings, parks, reserves, and road assets, especially those in low-lying areas.

We are conducting a climate risk assessment of critical public infrastructure in Wellington and developing an adaptation plan for Council-owned assets, enabling us to plan for climate adaptation costs alongside future asset renewal cycles. It is crucial to acknowledge that adaptation costs will rise significantly over time, particularly if emission reduction targets are not met. Our commitment is to adapt and evolve, ensuring the resilience of Wellington in the face of a changing climate.

WCC's climate risk profile across its three risk areas, over time and under each scenario

To increase the climate resilience of our assets and infrastructure we will (a) reduce the vulnerability of existing assets and (b) ensure new infrastructure is fit for a changing climate by embedding climate change adaptation and resilience into our future planning by:

- **2024** - develop a climate adaptation framework to embed climate risk management and adaptation planning into Council's new asset and infrastructure management framework and processes.
- **2025** – undertake quantitative climate risk assessments for Council's assets; and develop processes, guidelines and digital tools to support Council reduce climate risks and make climate-resilient decisions in asset management investments, renewals or upgrades decision-making processes.
- **2026** – develop the Council's first Climate Adaptation Plan that will include asset and infrastructure.

Strategic rationalisation to better manage the overall asset portfolio

Broad options for addressing all the challenges include:

- Continue to make decisions as issues arise and add new assets when existing ones no longer meet requirements.
- Ensure we are more strategic in the management of the of the portfolios of assets we own.

The principal option we have chosen is: Strategic rationalisation to better manage the overall asset portfolio. This means ensuring we have the right assets to meet the needs of the community before investing in renewals, upgrades or new. It also means considering selling or decommissioning some assets. Our rationale is provided below.

We cannot afford to continue maintaining, operating, and renewing all our assets we have in the way that we have been doing. Adding more assets without considering affordability is also not sustainable. Therefore, we must pause and reset. This means taking a careful look at all our assets and conducting strategic reviews. These reviews should be done by looking at portfolios of assets, considering the bigger picture. We must also take the time to ensure our investments are financially sustainable and contributing towards our community outcomes and LTP priorities.

To address these challenges, we need to be coordinated and considered at a whole of organisation and city level. Recently, the council adopted Te Awe Māpara (Community Facilities Plan), a guide for decision-making on community facilities for the next 30 years. This plan is based on a city-wide needs analysis that highlighted issues with the current network of facilities.

Key challenges include:

- Many of our community facilities are small, ageing, not fit-for-purpose, and many face increased or new risks associated with climate change and natural hazards.
- While the city is well-covered geographically, the design, size and quality of facilities hinder our ability to meet current and future needs as the city grows.

Te Awe Māpara outlines 58 prioritised actions for investigations and planning over the next 30 years, with 26 of these to be completed in the first six years of this LTP.

We have already reviewed our performance venues, focusing on the operational model. The key finding of the report is the Wellington City Council (WCC) operating model for the performing arts venues is sub-optimal and it is not set-up for success. The model in its current form lacks alignment, transparency, and accountability in relation to how civic performance venues contribute to agreed WCC strategies and objectives. There is a significant opportunity to shift to a more effective operating model. In addition, there is a significant overlap between performance venues, civic venues, and civic buildings. It makes sense to review this portfolio of building assets together. A feasibility study will take place over the first 3 years of this LTP to identify options to optimise the operation of this portfolio.

This strategic rationalisation approach is essential for managing our assets efficiently, ensuring financial sustainability and ensuring they align with the city's future needs.

The way we manage our assets must take this strategic approach. Further detail about managing, maintaining and renewing our assets follows.

Knowledge Management

The foundations for good Asset Management (AM) practices are people, processes, systems, and data, as defined in the International Infrastructure Management Manual (IIMM). Quality asset data provides the evidence to enable better investment decision making and cross asset optimisation.

Asset data is generally collected through data capture programmes, or operationally through our service providers and asset managers and their teams. At WCC, data is captured through our facilities management provider, through ongoing assessments by inhouse specialised staff, as well as large scale condition assessment programmes, as has just been completed for our vertical asset portfolios.

AM information sets and the systems where they are stored are summarised in the table below. Refer to each AMP (Asset Management Plans) for the complete list of systems specific for each of the activities.

Information Sets

Information	Purpose	Name	Information Type	Activity	Confidence Grades
Financial	Ensures assets that are acquired are registered and subsequently treated according to financial policy and accounting standards.	OneCouncil (Technology One)	Budgets, FAR.	All	C - Medium
Physical	Captures asset attributes such as size, age, condition, and location	SPM Assets	SPM holds individual assets records, condition data, life cycle analysis and reporting functionality.	PSR, Property, Landfill	B - High
Physical	Captures asset attributes such as size, age, condition, and location	RAMM	RAMM holds individual assets records, condition data, maintenance costs, forward works programmes, valuation.	Transport	B - High

Physical	Captures asset attributes such as size, age, condition, and location	OneCouncil (TechnologyOne)	OneCouncil holds individual assets records, condition data, maintenance costs, valuation.	Open Spaces, Property, Landfill	C - Medium
Physical	Interactive map-based information	ArcGIS	Aerial photography, property an d road boundaries, assets.	Open Spaces, Property, Facilities	
Physical	Interactive map-based information	PowerBI	Aerial photography, property an d road boundaries, assets.	Transport	
Operational	Job management tool for programming and claiming.	RAMM Contractor	Asset activity information.	Transport	A – Very High
Operational	Job management tool for programming and claiming.	OneCouncil (Technology One)	Asset activity information/Work management	ALL	A – Very High
Operational	For compliance monitoring and reporting	SAP (FM Provider Software – Ventia)	Compliance data (buildings).	Facilities	

Confidence in our asset data improves the confidence in our investment decision making, enabling effective programmes and robust long-term financial forecasts to be developed. Our confidence ratings are based on the criteria outlined below.

Data confidence grades

Confidence Grade	Grade Description
A Very High	**Highly Reliable <2% uncertainty** Data based on sound records, procedure, investigations, and analysis, documented properly, and recognised as the best method of assessment.
B High	**Reliable ± 2-10% uncertainty** Data based on sound records, procedures, investigations, and analysis, documented properly but has minor shortcomings, for example the data is old, some documentation is missing, and reliance is placed on unconfirmed reports or some extrapolation.
C Medium	**Reasonably Reliable ± 10-25% uncertainty** Data based on sound records, procedures, investigations, and analysis which is properly documented but has minor shortcomings for example the data is old, some documentation is missing, and reliance is placed on unconfirmed reports or significant extrapolation.
D Low	**Uncertain ± 25-50% uncertainty** Data based on sound records, procedures, investigations, and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B is available.
E Very Low	**Very Uncertain > 50% uncertainty**

Data based on unconfirmed verbal reports and/or cursory inspection and analysis.

Asset condition is one the of key factors we employ in the development and prioritisation of our programmes of work. Having accuracy and confidence in our condition data is therefore vital to be able to assess and manage the assets in an effective manner.

The current state of our infrastructure assets is summarised in the individual Asset Management Plans (AMPs). The condition scoring regime we use is a standard 1 to 5 scale, 1 being Very Good condition and 5 being Very Poor.

Condition Rating Scale

Condition Score	Colour	Condition Rating
1	Dark Green	Very Good
2	Light Green	Good
3	Yellow	Fair
4	Orange	Poor
5	Red	Very Poor

The Condition Grade Index (CGI) is the average condition grade of assessed components weighted by their gross replacement cost. This index is used to summarise and monitor overall condition for our assets managed in the SPM information system which excludes Transport. The CGI operates on a different scale to the condition rating which needs to be considered when using for decision making purposes.

Condition Grade Index Scale

CGI Range	Colour	Condition Rating	Description
0-1.499	Light Green	Good	A CGI of less than 1.5 suggests that an excellent condition without any component in poorer condition.
1.5-1.99	Yellow	Fair	Less than 2.0 it is likely that the site is in good to excellent with only a few components in a poorer condition.
2-2.99	Orange	Poor	Greater than 2.5, there is a high proportion of components in a poor condition.
3-5	Red	Very Poor	Majority of components are in a poorer condition.

Changing Technology

Technology plays an important role in how we use and build things like roads and buildings. Thanks to technology, people can now live, work, and have fun in diverse ways. The adoption of technologies has allowed for more flexibility about when and where people live, work, and recreate. The trend towards hybrid working and learning was accelerated during the pandemic and has led to changing patterns of movement and demand which impacts how infrastructure networks perform. Developments in Machine Learning, Artificial Intelligence, Telecommunications Connectivity and Reality Technologies will continue to enable people to easily change how they live. This in turn affects what we need from our infrastructure networks. Technology also impacts how infrastructure is planned, built, and operated.

We now use things like Digital Twins, Mapping Technology and the Internet of Things which enable the modelling, visualisation, optimisation, and prediction of how infrastructure, has and will perform. This investment in technology can increase the resilience, adaptability, and certainty of performance of infrastructure through time and enable it to better meet the strategic outcomes of the city. The Council is presently investing in an Underground Asset Map which will provide more reliable, accurate and complete data about the location of underground services. This map of the underground space in the city will enable more certainty for people planning, building, maintaining and operating infrastructure in the city and is foundational to improving the administration of the space within the city's streets and public spaces.

Maintaining existing assets

We manage our assets through a mix of reactive and proactive investment as we set out to work under a 'lowest whole of life' framework. This will always be based on our asset data and as the maturity of our asset management progresses, we will achieve better outcomes with our investment. Organisation maturity combined with better decision making will deliver better outcomes.

Improvement of our asset data has been a focus leading up to the current LTP. We are now more confident of the integrity of our asset data across many of the asset groups and this provides a solid foundation for the current LTP. Maintaining what we have is not always the right thing to do. Maintenance investment is considered in relation to the renewals programme to optimise both intervention timing and level of service across the assets. When the operational and maintenance costs of retaining an asset are equivalent to building new, this may be an indication to dispose of the asset and build a new one that meets the community needs.

Renewals

Our approach to asset renewals is centred on progressively restoring and renewing individual assets that have reached the end of their useful life. The goal is to bring these assets back to their original condition or capacity, ensuring they meet required levels of service. However, before a decision is made to renew any assets, we determine if the asset is still required and if so, if a like for like replacement is required or an upgrade.

Our capital investments cover three investment streams:

- Renewing existing assets: Preventing assets from failing to support levels of service by systematically renewing them.
- Upgrade, creation, or purchase of new assets: Addressing growth in demand or changes to levels of service by investing in new assets.
- Investment in assets that are held for financial return or future opportunity value: Investing in assets that provide a financial return or have potential future value.

Renewal and replacement strategies are determined based on:

- Risk – Action is justified if there is a risk of failure and associated safety, financial and commercial effects.
- Asset Performance – renewal is necessary if the asset fails to meet the required levels of service and compliance.
- Economics – Renewal is considered when it is no longer financially sensible to continue to repair the asset.

Renewal and replacement needs are identified through:

- Analysing condition reports
- Maintenance records (asset failure and expenditure history)

- Service records
- Observations by staff and contractors

Short and long-term asset renewal programmes are prepared based on identified forecasted renewal needs, considering remaining asset lives criticality and risk. Deferred capital renewals will be planned for future inclusion in programmes.

Renewals investment is prioritised to balance levels of service and lowest cost of life for asset groups, aligned with resilience and strategic goals such as mode shift and emissions targets. We then apply the affordability lens taking into account the quantum of required investment across Council activities. Decisions are complex across the Council's infrastructure due to varying asset lives requiring coordination for optimisation of investment, where the level of investment for renewals is balanced with affordability, asset consumption and the Council's levels of service. Given debt capacity issues in the development of the 2024 Long-term Plan a decision has been taken to **target** renewals at 75% of unconstrained forecasts for ten years of the LTP.

Prioritising renewals funding enables the Council to trade off non-critical asset risk with the need to increase investment in our three waters assets. An increased budget from 2034 will be programmed to catch up – the intent being that this deferral of renewal funding and spending would be fully caught up over the life of the 30-year Infrastructure Strategy and therefore the risks and service impacts of the decision should be temporary. Within this financial constraint, we will ensure that within different activity classes, renewals are prioritised based on criticality and where assets are in the poorest condition.

This decision applies to all renewal budgets other than three waters renewals, which have been subject to specific decision making through the 2024 LTP. Note that where there is data and information that does not support this target, separate decisions were taken (most notably for transport renewals).

Funding renewals later than forecast replacement requirements creates risks to asset condition and performance. The management of renewal budgets may also lead to impacts to service levels delivered to the community. Overall, the Council plans to manage risk through ensuring that within different activity classes, renewals are prioritised based on criticality and where assets are in the poorest condition. Safety and resilience will also be prioritised. In some cases, this has meant that renewal budgets for some activities have not been reduced the full 75% of forecasts.

Where less than 100% of renewals are budgeted it is imperative that this risk is well understood and signalled in terms of asset consumption, and service decline. Where infrastructure has been funded sub-optimally, we will identify any efficiencies that can be sought to reduce costs (that is, doing more for less) as well as monitoring the backlog ensuring our plans include a focus on lowering risks in subsequent years. The Council has, where practicable, constrained renewals and assumed some risk across sections of our infrastructure (predominantly transport, buildings, and facilities) with the knowledge and data to support this risk by identifying renewal backlog and forecasting this into later years 2034 –2054, where any degradation is addressed. This information and knowledge is available through the recent implementation of our Asset Management Information System (SPM) and a comprehensive condition assessment survey for our buildings.

This approach, in deferring renewals to some of our infrastructure means we are consciously prioritising our investment to meet our biggest challenge within a constrained funding environment. The highest priority infrastructure investment over the next decade is required to support repair and remediation of the City's water network and earthquake prone buildings, as well as how we adapt to climate change impacts.

Prioritising the interventions and work programme for affordability

New infrastructure is expensive. To manage and operate our assets in a financially sustainable way, as well and delivering to meet the needs of our communities, growth, and climate change, we need to take a strategic and integrated approach. We are applying the hierarchy of interventions, as described in the New Zealand Transport Agency's Planning and Investment Guidance and in alignment with the Infrastructure Commission, considering lower cost interventions before higher cost interventions. This includes:

- Integrated land use and infrastructure planning.
- Manage demand through behavioural science techniques such as pricing, redesigning services, and using technology.
- Making best use of existing infrastructure by optimising levels of service.
- Using best practice business cases and planning and prioritising to inform good decision making when investing in infrastructure.

The overall approach to prudently managing our financial position for the 2024 LTP is outlined:

- Reprioritise and rephase the capital programme as follows:
  - Complete works underway – examples include things like the Town Hall, Te Matapihi Central Library, parking enforcement technology roll-out etc.
  - Deliver what is legislatively / contractually required – examples include Housing Upgrade Programme phase 2, multi-year contracts, earthquake strengthening, delivery of the Te Awe Mapara Community Facilities Network Plan which has now been adopted.
  - Infrastructure deficit / challenge – invest in areas where there are significant infrastructure challenges, such as three waters and transport.
  - Incorporate regulatory and non-built solutions – invest in policy frameworks and nature-based solutions such as water sensitive urban design to limit the need for infrastructure investment.
  - Reprioritise and rephase – rephase, reprioritise and rescope the remainder of the capital works programme so that it is evenly distributed over the following ten years of the long-term plan and beyond and fits within the available budget parameters.
- Maintain financial capacity for the future:
  - Investment portfolio – explore whether the current investment portfolio can be better utilised and targeted towards dealing with the city's natural hazard risks and insurance costs pressures.
  - Renewals – update renewal programmes to reflect better asset data that has been developed and defer what we can on non-critical assets, without impacting too severely on asset risk. We have set a target of funding renewals at 75% of the anticipated need, in all asset categories except 3 waters. This will occur for the first 10 years (2024-2034) and enable us to trade off non-critical asset risk with the need to increase investment in our 3 waters assets. An increased budget from 2034 will be programmed to catch up. Within this financial constraint, we will ensure that within different activity classes, renewals are prioritised based on criticality and where assets are in the poorest condition.
  - Revenue – increase revenue and explore alternative funding sources where appropriate.
  - Levels of service – explore adjustments to levels of service over time. We will undertake a review of all our levels of service in the first 3 years of this LTP and

  identify whether we can close the gaps over the years 11 to 30 period, or whether to adjust levels of service downwards.

- Adjust to external cost pressures:
  - Pause and reset – develop a clear strategy for dealing with the Council's earthquake prone buildings. This will enable robust decisions on these venues to be made as part of the 2027-37 LTP.
  - Integrated delivery – ensure there is better integration and trade-offs between existing work programmes to drive efficiencies.
  - Work within tight budget parameters – this means operating within set inflation envelopes for key areas, requiring business units and some CCOs (Council Controlled Organisations) to take a more commercial approach / secure external funding to improving baseline funding position.

Financial affordability for both the Council and ratepayers means that we must focus on doing the right things at the right time in the most cost-effective way whilst deliberately managing risk. We will prioritise non-asset solutions to maximise the use of our assets and deliver value for money and operational efficiency.

Principal options by activity

Three waters

Wellington's three water services of drinking water, wastewater, and stormwater management are delivered through an extensive pipe network and associated infrastructure.

There are significant constraints and levels of service issues across our water services assets. The challenges of aging infrastructure, population growth, climate change, increasing environmental regulation and service delivery expectations means that we must ensure that there is adequate financial resourcing to ensure that infrastructure goals can be met within financial constraints.

These issues include:

- Aging infrastructure
- Population growth and increased demand on supply
- Leaking drinking water pipes and increased service interruption.
- Increased uncontrolled wastewater overflows to the environment.
- A significant and growing backlog in drinking water pipe renewals.
- Deteriorating asset condition as the infrastructure networks age.
- Flooding.

Growth adds additional pressure to the network, which must be managed effectively to ensure continued levels of service.

To accommodate future population growth in the Wellington City Council area, there will need to be significant upgrades to 3-waters infrastructure, with intervention needed to meet growth in the following way.

- Central City (in Te Aro, Adelaide Rd), Newtown, Johnsonville, Tawa – immediate and significant intervention to meet short term growth forecasts to create development capacity in the 3- water networks.
- Newlands, Mt Cook, Mt Vic, Hataitai, Aro Valley, Berhampore, Island Bay, Khandallah, Ngaio, Crofton Downs - short term interventions to meet medium-term growth forecasts and create development capacity in the 3-water networks.
- Karori, Kelburn, Brooklyn, Thorndon, Churton Park, Lyall Bay, Kilbirnie, Miramar – medium term intervention to create development capacity in the long term.
- Greenfields – short to medium term structure planning in place to lead long term outlook for future development led by others.

There is a significant amount of investment required in three waters over the next thirty years. While we are proposing to spend more than we ever have in the 2024-34 LTP it is still not at the level proposed by Wellington Water as we need to balance what is required with what we can afford. Therefore, we are pushing some of the required investment in the networks into years 11 to 30 and under the current delivery model (that is, through Wellington Water) this will be a continued challenge to the Council. To address this, we are focused on:

- Continuing to collect better information about assets to ensure we are investing at the right time in the right assets, as well as mitigating the impacts of failure.
- Looking to invest as much as we can in three waters whilst also managing the other investment priorities, such as earthquake prone buildings.
- Investing to ensure we are operating an efficient network, for example looking at investment in water meters and the construction of the sludge minimisation plant.

- Working collaboratively with the other region's Councils to discuss the future model of three waters delivery with a commitment to establishing a regional council-controlled organisation to own, manage and deliver three waters infrastructure.

Local Water Done Well

The government's Local Water Done Well (LWDW) reforms require all councils to prepare a Water Services Delivery Plan (WSDP) by 3 September 2025. The WSDP must contain information about the current state of water services and assets, as well as the proposed future delivery model to ensure water services are financially sustainable by 2028.

Council has agreed that a Wellington Metro Three Waters Council Controlled Organisation is the preferred water services delivery model and will consult on this in March-April 2025. The consultation will seek feedback on:

- A Wellington Metro Three Waters CCO option (the preferred option)
- A Wellington City Council only Three Waters CCO option, and
- In-house contract out option (the status quo) where Wellington Water Limited in its current form will likely be disestablished and WCC management services would be contracted out to a new delivery partner

The December 2024 Local Government (Water Services) Bill requires all water providers to have a Stormwater Network Risk Management Plan in place within 2 years of legislation being enacted. It is assumed that a future water service delivery provider will take responsibility for this.

Key Assumption

As a result of implementing LWDW it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council. Consequently, the following water infrastructure component of the Infrastructure Strategy is only intended to be relevant until the end of the 2025/26 financial year.

Council's role

It is a core statutory role of the Council to provide safe drinking water, manage stormwater, and take away and treat wastewater. This service is delivered through the three waters pipe network and associated infrastructure.

Delivering through Wellington Water Limited

The Council set up a Council Controlled Organisation – Wellington Water Limited (WWL) – in 2014 to manage the three waters services and assets. Other shareholders include five other councils in the region (Hutt City, Porirua City, Upper Hutt City, South Wairarapa District, and Greater Wellington Regional Council). It is contracted under a collective Management Services Agreement which requires it to, amongst other things, safeguard the Councils' water assets from damage, loss and destruction and keep the assets in good condition and repair.

~~The repeal of the Three Waters Legislation reverts to council ownership and control of water assets, with increased environmental regulation around discharges. Existing arrangements will be retained for the 2024 LTP and associated planning documents. That is, the Council will continue to own three water assets and fund the service. Wellington Water Limited will continue to plan and manage the network as well as deliver the service on behalf of the shareholding Councils.~~

Wellington Water is governed by a Board of independent directors, the chair of which reports to the Wellington Water Committee. The Wellington Water Committee is made up of representatives from each of the shareholding Councils and is responsible for providing overall leadership and direction for Wellington Water.

Wellington Water use these five regional strategic priorities to provide advice.

- Look after existing infrastructure.
- Support a growing population.
- Sustainable water supply and demand (and more resilience in times of shortage).
- Improving environmental water quality.
- Achieving net zero carbon emissions.

Wellington Water's advice in the 2024 – 2027 LTP was to investment primarily in 'Looking after existing infrastructure', sustainable water supply and demand, and 'improving environmental water quality'.

Wellington Water Limited is accountable for all asset management activities, including asset condition assessment, on behalf of WCC. The focus, until recently, has been on understanding where critical pipes are within the network. An increasing backlog of leaks is leading to declining levels of service and the need to increase funding for reactive interventions. A better use of our constrained funding would be to invest in renewals which requires ana optimised renewals programme, improving resilience, managing critical assets and improving asset data knowledge are all important aspects of maintaining our network.

Whilst the asset management and planning function continues to improve, some significant data gaps still exist, and these are s highlighted below.

During the last 3 years, Wellington Water Limited completed an assessment of Very High Critical Assets (VHCA) across our 3 waters network and provided investment advice as part of the 2024-34 LTP. VHCA are assets that have a very high consequence if they fail. It is important after an unexpected event that VHCA and high criticality assets (HCAs) are back up and running as soon as possible to maintain public health and safety.

Wellington Water assessed the below:

- 189km which is about 8% of total pipes.
- 65 or 100% of the reservoirs.
- 35 or 28% of the pump stations.
- 60 wastewater treatment plant assets were selected for detailed investigation.

The asset assessment informs Wellington Water's physical works programme. The biggest risks are assets in poor or very poor condition, and these will be prioritised for replacement. Wellington Water uses modelling to determine asset condition grades for the wastewater and drinking water networks. Asset condition modelling considers factors like pipe age, material, expected lifespan and pipe inspection records.

The asset assessment informs Wellington Water's advised physical works programme. The biggest risks are assets in poor or very poor condition (44% of the capital's wastewater pipes and 25% of drinking water pipes), which will be prioritised for replacement.

Reservoirs also need remedial works for safety and contamination risks.

The three waters assets are discussed separately below:

- Water Supply (bulk drinking water)
- Sewerage and the treatment and disposal of wastewater
- Stormwater

As mentioned above, the Council's water services are delivered through Wellington Water Limited.

We've recently independently reviewed the service delivery efficiency of Wellington Water. There are a number of recommendations to improve service delivery. Shareholding councils have agreed to pursue operational improvements through the inclusion of performance and productivity based KPIs into the 2024 Letter of Expectations.

Wellington Water Limited has advised that the maximum deliverable programme would cost $2.5b, of which $1.8b is Capex and the balance is Opex. We’re proposing to fund $1.8b (capex and opex) over 10 years[1], which is what Wellington City Council can afford. The waters programme is designed around the budget and what is most critical to deliver.

Several of the major projects are in a very early stage of planning, which means there is a high level of cost uncertainty. Wellington Water Limited will take a tactical approach to delivering the spend through balancing and prioritising its investment, targeting specific assets and speed of ramping up. Key considerations in this are expected to be both Wellington Water's and market capacity to deliver as well as asset risk of failure and affordability.

The following have been prioritised.[2]

Opex costs

- $680.0m over ten years, with year 1 at $66m. Including:
    - $2.4m for planning for universal water meters in first three years
    - $5.3m Opex pa for leak / reactive maintenance

Note, the ongoing consequential opex requirement for the universal residential smart water meters will be determined through the planning, design and procurement phase. Once this is complete, council can make an informed decision on how to incorporate the ongoing costs into future opex. budgets.

Capex costs

- $1.2b over ten years, including:
    - $143m for smart water meter roll out from year 4.
    - $23.1m for Golden Mile Renewals
    - $10.8m to start Bell Road and Moi-i-te-Ra reservoirs including inlet/outlet mains from year 7
    - $32.8m for pressure management and additional water renewals, and increased reactive renewals for all three waters
    - $24.2m for risk contingency for the Airport Wastewater Triplicate Interceptor and one section of the Eastern Trunk Main
    - $15m for additional renewals at the Moa Point Wastewater Treatment Plant
    - $2.8 million in the CAPEX program for wastewater upgrades for a trunk sewer in the Kaiwharawhara stream in Ōtari-Wilton’s Bush.

Funding Options

The overall budget options for the 3 Waters are provided in the table below. Key points to note:

- The starting budget given to WWL to work with is Option 1, which was based on the 2023/24 financial year. This proved to be unrealistic and would result in continued failures.
- Option 2 took a focus on ensuring enough funding to manage reactive maintenance. This was strongly considered, but ultimately the Council decided that more investment was needed, and this would mean reducing funding from other areas of the organisation.

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[1] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

[2] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

- Option 3 is the adopted approach, as it is the most affordable package that starts to see an improvement in the 3 Waters service.

However, there will continue to be difficult decisions over the ~~30-year span~~duration of this strategy. The activity will continue to be constrained as the funding model does not have sufficient capacity to appropriately manage the provision of these services. A review into the operating model and discussions with central government will occur in the coming triennium.

Issues	Options	Decision Date	Delivery Timing	Costs	Risks and Implications
Aging assets and significant leaks across the water networks Around 41% of our water is lost through leaks in the water system which reduces our supply capacity.	(1) Reactive approach to repairs and maintenance	2024	Annual	Opex $55m	This is a high-risk approach, insufficient to meet legislative requirements under the Water Services Entities Act 2022 Expected to result in: • non-compliance with regulations • legal consequences • risk to public health • an increasing leak backlog • reactive maintenance budgets exhausted within six months • inability to address unforeseen events
Aging assets and significant leaks across the water networks Around 41% of our water is lost through leaks in the water system which reduces our supply capacity.	(2) Do minimum (an increase in planned and reactive maintenance)	2024	Annual	Opex $57.4m	Expected to result in: • an increasing leak backlog • increasing levels of public dissatisfaction • non-compliance with regulations • risk to public health
Aging assets and significant leaks across the water networks Around 41% of our water is lost through leaks in the water system which reduces our supply capacity.	(3) Close the backlog of repairs (adopted)	2024	Annual	Opex $66m	Expected to result in: • A progressively decreasing leak backlog • Reduction in water loss from the network. • Increasing levels of public satisfaction

Water Supply

Strategic direction

Clean, safe drinking water is essential for residents' quality of life and wellbeing, and a reliable water supply is essential to support business activity in the city.

Wellington Water manages the bulk water network on behalf of the GWRC. The treated drinking water that WCC receives is drawn from the Te Awa Kairangi/the Hutt River, the Waiwhetu Aquifer and the Wainuiomata and Orongorongo rivers, is stored in the reservoirs across the city, and is distributed through the drinking water supply piped network.

Effective water supply services are crucial to achieving Council's five outcomes and aligns to one of the Council's nine priorities – *"Fix our water infrastructure and improve the health of our waterways."*

As the city grows, additional drinking water storage facilities and network upgrades are required to facilitate this growth. New assets can also provide sufficient capacity for existing shortfalls against target levels of service.

Asset overview

Our assets are valued (Optimised Replacement Value) at approximately $1,985 million as at 30 June 2023 and include:

- 921km water pipes
- 68 reservoirs/tanks
- 34 pump stations
- 98,000 valves, hydrants
- 72,000 service laterals

Asset condition and lifecycle

Cast iron pipes in the Wellington central city area are well past their useful life with a failure history and material deterioration confirmed by laboratory analysis. Overall, water supply assets are in moderate condition with an estimated average remaining useful life of 30-40%.

There is more work to be done regarding the collection of reliable physical asset condition data for critical and non-critical assets. Wellington Water Limited are aware of the location of the critical pipes within the network. Next steps involve documenting and reporting against each of the infrastructure networks in terms of value, age, materials condition and asset performance.

The results of the Very High Critical Assets condition assessment indicate that majority of the very high criticality pipes fall between 'very good and moderate' condition. However, over 25% are in poor or very poor condition. There is low confidence in the condition assessment of the balance of the assets due to the volume that is assessed through desktop assessment. This means that there is a high level of uncertainty in planning and forecasting maintenance and renewals.

Based on the desktop assessment and VHCA work, an estimate of the relative condition of assets is shown in the figures below. ~~This information underpins the approach to investment planning, asset management planning, asset renewals and infrastructure project delivery.~~ This information underpins the current approach to investment planning, asset management planning, asset renewals and infrastructure project delivery. It is assumed that ownership and responsibility of Water assets will no longer rest with Wellington City Council from 1 July 2026.

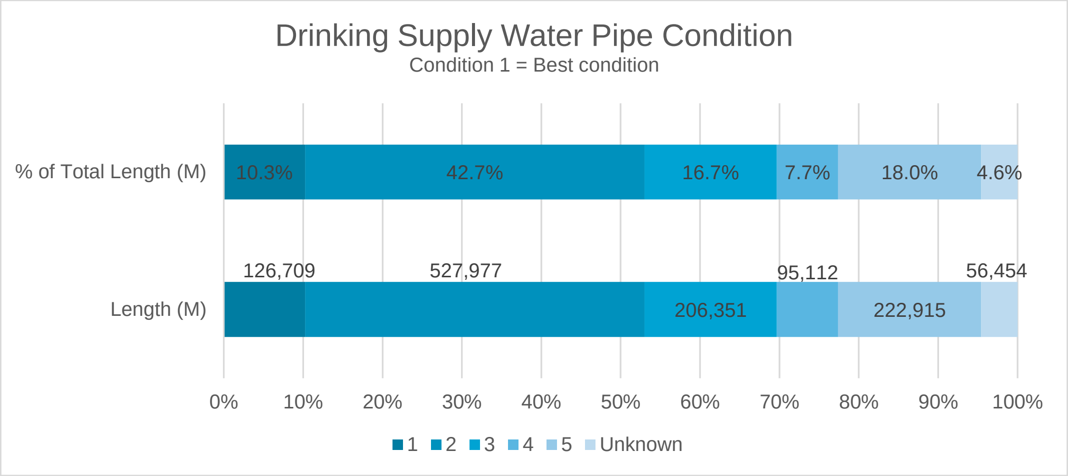
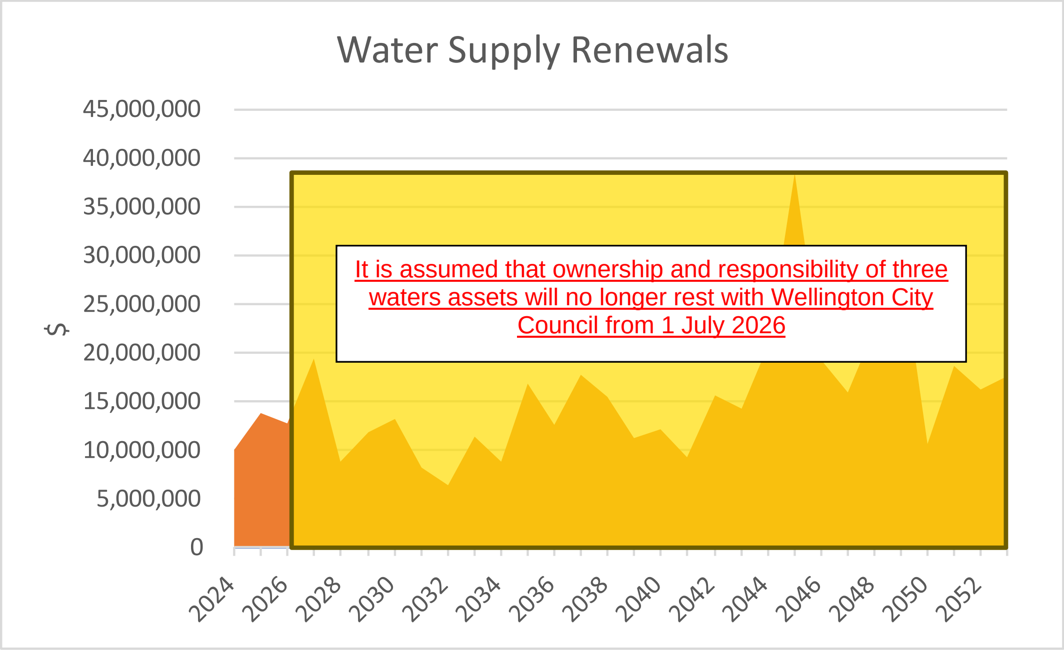


Figure 3: Drinking Water Pipes Condition



It is assumed that ownership and responsibility of three waters assets will no longer rest with Wellington City Council from 1 July 2026

Figure 4: Water Supply Pipe Network Renewal Profile[3]

Level of service and performance

Council's role is to provide a secure supply of safe and healthy drinking water to communities and businesses. There are a range of technical performance indicators that measure water quality standards, overall performance of the network, and customer satisfaction with the service.

While water is delivered to households and businesses and meets health standards, the current water supply network has material challenges and is not achieving some of the agreed levels of service. The water supply network has a substantial number of assets that have exceeded their

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[3] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

expected useful life. Approximately 31% of drinking water is lost through the public pipe network, which is very poor according to international benchmarks, and an estimated further 10% within private property. This is costly and requires increasingly severe water restrictions over summer periods when rainfall is less and source capacity decreases.

There are gaps in Wellington Water's knowledge about our assets. This knowledge is essential to help Wellington Water Limited to intervene with planned maintenance or replacement before assets fail, and to drive an ongoing programme of renewal and enhancement investment. Currently, response times to repair leaks in the network are consistently not being achieved. In the 2021 LTP, auditors have highlighted the ability of Wellington Water to report accurately against their measures.

See Council's annual report for further information on levels of service and performance.

Key challenges

This activity group is affected by all the identified key challenges.

- **Aging and declining condition of infrastructure** – Around 30% of the drinking water network has passed or are approaching the end of life based on age. Using age as a proxy for condition, Wellington Water Limited has advised that more than 50% of the network is expected to require replacement within the next 30 years.
- **Population growth and changing demand** – Forecast growth in our northern suburbs (Johnsonville and Tawa in particular) will put additional demand on the existing water storage reservoirs. Growth studies[4] undertaken by Wellington Water Limited since the last LTP have been completed, which has helped to identify what work is needed to support our 30-year growth vision and to help quantify the level of investment required for this growth. Capacity is available in the short term for non-complex and smaller scale developments. However, significant upgrades to network infrastructure are required to accommodate growth to ensure compliance with the National Policy Statement on Urban Development.
- **Mitigation and adaptation to climate change** – Climate change is leading to an increase in extreme weather events, including extreme rainfall events and landslips which leaves water assets vulnerable to disruption, as well increased droughts which increases the risk of water shortages. Sea level rise and rising groundwater tables associated with climate change also have an impact on underground water assets and additional work is required to help us better understand the impact this will have on our infrastructure. The 2023 Climate Risk Assessment Report highlighted coastal inundation causing asset damage to water services infrastructure as one of the highest ranked risks, with a growing trend towards 2050 and 2100. Without adaptation, further climate-related changes are projected to have substantial impacts on water resources.
- **Earthquake hazards** – The ground our three water assets are in is subject to earthquakes and other natural hazards which leaves them vulnerable to disruption.
- **Affordability and deliverability** – The volume of work needed to keep pace with the aging assets and growth is unaffordable under the current funding environment and climate change impacts. Furthermore, the capacity of the construction market to deliver is limited. Due to increased environmental standards the requirements and costs for gaining and implementing resource consents is becoming more challenging and expensive. Whilst the number of leaks reported and detected has not increased significantly over the past few years, the cost to fix each leak has increased significantly due to increasing costs of traffic management, health and safety, and other inflationary costs on contractor resources. The net result of all of this is an ever increasing repair backlog and decreasing levels of customer satisfaction.

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[4] Undertaken for Tawa, Johnsonville, CBD and Newtown

Principal options

This activity and related solutions primarily contribute to the priority "*fix our water infrastructure and improve the health of waterways*." We will also take every opportunity to apply each of the strategic approaches.

The following shows how we have used the strategic priorities and applied the overarching principal options to identify specific options to address the key issues for this activity group.

- **Strategic rationalisation to better manage the overall asset portfolios –** We will prioritise fixing drinking water supply leaks over investment in additional supply as this will increase supply reaching customers.
- **Prioritising interventions and the work programme for affordability** – For operational and financial efficiency and overall affordability Wellington Water has prioritised repairing and replacing highest criticality assets in a very poor and poor condition.

Issues and options[5]

Issues	Options	Decision Date	Delivery Timing	Costs	Risks and Implications
Aging assets and significant leaks across the water networks Around 41% of our water is lost through leaks in the water system which reduces our supply capacity.	Managing water demand through education. Finding leaks through installing more water meters in the network. (Adopted) Additional funds for reactive water maintenance to clear the backlog of leak repairs	2024 2024	2024 2024 2027-2030 2024/25	$2m (detailed business case) - OPEX $3m (pressure control valves) - CAPEX $143m (residential smart meters) – CAPEX $3.3m OPEX	Public engagement in voluntary water use reduction is at risk with a backlog of water leaks. The installation of more pressure control values will assist in leak detection and prioritised repair.
Reservoir capacity and water supply Wellington is an earthquake prone city, where the likelihood of emergency needs are significant. Due to climate change, droughts are expected to become more common and more severe in Wellington over the coming 30 years, which will impact on water supply. We have detailed investigation of the recommended water supply reservoir. Recently invested in a 35 Mega Litre Omaroro Reservoir that is now in	Replace Bell Rd reservoir (has exceeded 100-year life and is in very poor condition) Moa-i-te-ra Reservoir - NEW Other options include education, and support for self sufficient water storage. Develop Council Climate Adaptation Plan for Critical Assets & Infrastructure (Adopted)	2027	Timing and scale of investment will be determined through further analysis.	Not identified at this time but indicative costs are $90m to replace one reservoir. Council Climate Adaptation Plan to be developed to inform the long-term water supply planning and investment.	After the more recent earthquakes, some additional resilience water storage was put in place across the city. More permanent structures such as reservoirs will need to be factored into long term planning.

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[5] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

service, increasing resilience to the central city. Additional water reservoirs are required to increase storage in the event supply pipes are disrupted. Two reservoirs are needed – one for the Northern suburbs, and one for the Kelburn area to improve the city's resilience. Additional upgrades and water reservoirs are required to facilitate the 30-year growth vision for Wellington across our priority growth areas		Wellington Water to undertake detailed growth assessments.

NOTE: Dollar amounts are indicative for out years and will be refined as more information is available and the implementation period draws closer.

Water Supply Activity Opex and Capex forecast[6]

Year	Operating Expenditure[7]	Capital Expenditure
~~2024/25~~2025/26	117,703,870	13,932,988
~~2025/26~~2026/27	0 ~~104,200,275~~	0 ~~13,932,988~~
~~2026/27~~2027/28	0 ~~112,149,389~~	0 ~~21,672,009~~
~~2027/28~~2028/29	0 ~~121,573,355~~	0 ~~23,359,394~~
~~2028/29~~2029/30	0 ~~131,548,955~~	0 ~~30,885,214~~
~~2029/30~~2030/31	0 ~~142,167,467~~	0 ~~53,570,624~~
~~2030/31~~2031/32	0 ~~155,225,774~~	0 ~~56,368,202~~
~~2031/32~~2032/33	0 ~~168,465,707~~	0 ~~67,198,394~~
~~2032/33~~2033/34	0 ~~181,971,897~~	0 ~~36,204,581~~
~~2033/34~~2034/35	0 ~~199,879,904~~	0 ~~36,211,311~~
~~2034-2039~~2036-2040	0 ~~1,068,738,334~~	0 ~~144,200,697~~
~~2039-2044~~2041-2045	0 ~~1,253,392,356~~	0 ~~195,363,148~~
~~2044-2049~~2046-2050	0 ~~1,485,218,190~~	0 ~~185,303,326~~
~~2049-2054~~2051-2055	0 ~~1,773,490,674~~	0 ~~226,753,130~~

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[6] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

[7] This includes the total cost of asset ownership including depreciation, Insurance and interest costs on top of the funding that we provide Wellington Water Limited.

Total	117,703,870 ~~**7,001,418,578**~~	13,932,988 ~~**1,098,725,535**~~

Figures are inflation adjusted

Sewerage and the treatment and disposal of sewage

Strategic direction

The primary purpose of the wastewater service is to protect public health by ensuring that wastewater is safely removed from private property and other public spaces. There is now an increasing focus on reducing the risk of illness and the environmental effects of discharges to waterways and the sea.

The City will need to change to comply with the freshwater quality standards set out in the National Policy Statement-Freshwater Management (2020) (NPS-FM) by 2040. This regulation seeks to reduce the risks to public health from recreation/food gathering, prevent further degradation to receiving waters, and respect the aspirations of iwi and communities to restore Te Mana o Te Wai.

The state of our wastewater assets must improve if we are to meet the level of service demanded by the NPS-FM and expected by mana whenua and our communities. Over time, we need to replace poor condition pipes and remove systemic overflows that divert sewage into the stormwater system which occurs when the wastewater system is overloaded during heavy rainfall.

Failures in the wastewater system are detrimental not only to environmental and human health, but also to the City’s reputation.

Asset overview

Our assets are valued (Optimised Replacement Value) at approximately $3,306 million as at 30 June 2023 and include:

- 1,077 km pipes
- 15km tunnels
- 39,000 valves and fittings, including manholes and access chambers
- 69 Pump Stations
- Two treatment plants (Moa Point and Kārori)

Asset condition and lifecycle

The wastewater treatment plants are reaching an age where many of the components will require renewal over the next 25 years.

A desktop assessment of condition estimated that 44.1% of the wastewater pipe network is in poor or very poor condition. However, the level of confidence of this information is low, due to the lack of on-site condition assessment. This means that there is a high level of uncertainty in planning and forecasting maintenance and renewals.

Wastewater assets include the Leachate Collection System. These assets are in moderate to good condition with an estimated average remaining useful life of 55%. There have been some minor seepages of leachate, but additions have been made to the Leachate Collection System to intercept these seepages.

Building assets are managed in SPM Asset Software. This includes individual asset records, asset registers, condition data, lifecycle analysis and reporting functionality.

Based on the desktop assessment and the VHCA work, an estimate of the relative condition of assets is shown in the figure~~s~~ below. This information underpins the current approach to investment planning, asset management planning, asset renewals and infrastructure project delivery. It is assumed that ownership and responsibility of Wastewater assets will no longer rest with Wellington City Council from 1 July 2026.

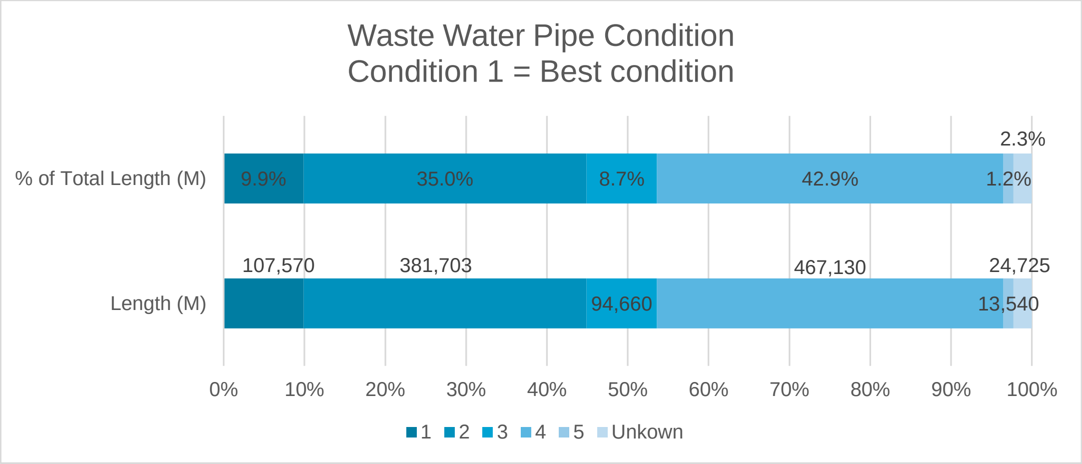
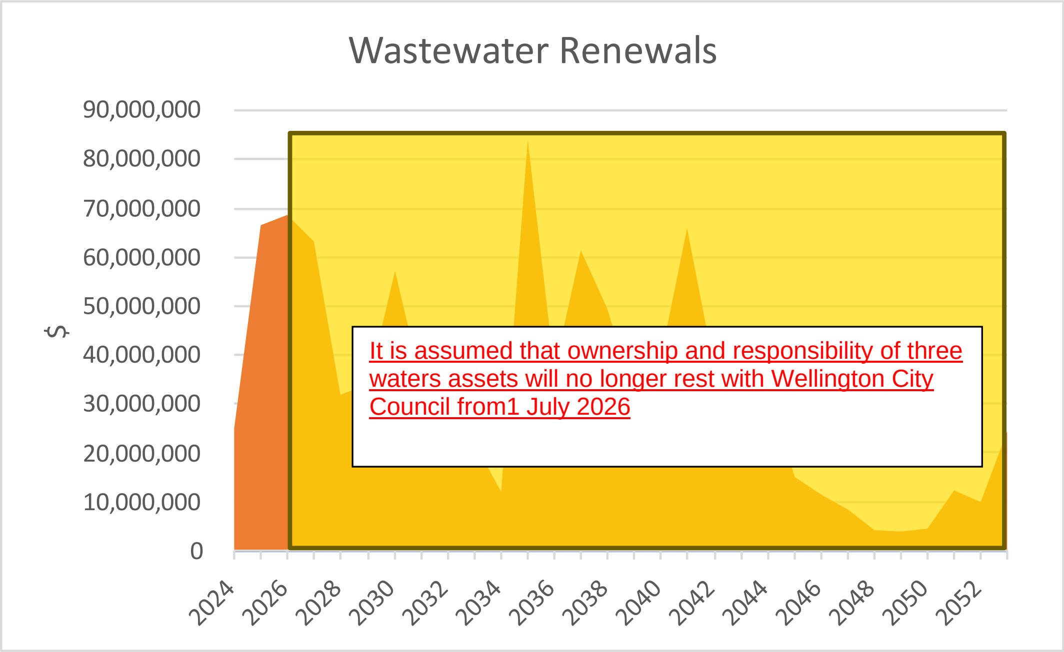


Figure 5: Wastewater Pipe Network Condition



It is assumed that ownership and responsibility of three waters assets will no longer rest with Wellington City Council from1 July 2026

Figure 6: Wastewater Renewal Profile[8]

Level of service and performance

The sewerage network delivers a good base level of service to households and businesses. Construction is under way on a new sewage sludge minimisation plant at Moa Point, which will improve levels of service when operational in 2026. Sludge is created through the processing of wastewater. The new facility will remove water and bacteria from the sludge and process it in such a way to reduce sludge volumes by around 80%. This means significantly less sewage sludge being landfilled, reducing costs of transportation and disposal. We are also actively look for

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[8] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

opportunities to reuse the remaining organic matter which will remove even more organic waste from landfill.

While the waste treatment and disposal aspect of the service has received significant investment and levels of service will materially improve in the future, there remains some performance issues with the network. The primary issue with the remainder of the network is overall age, condition, and capacity constraints in parts of the network. The legacy design of the network means that blockages or high rainfall events regularly results in wastewater overflows into the stormwater network and natural waterways, which creates public health risks and can cause compliance issues. Network capacity in parts of the city also constrains growth, however works have been planned and programmed for increasing the pumpstation and rising main capacities to cater for population growth.

See the Council's Annual Report for further information on levels of service and performance.

Key challenges

This activity group is affected by all the identified key challenges.

- **Population growth and changing demand** – The changing expectation for freshwater management means that regular overflow occurrences do not meet the new standards. Any waste discharge into freshwater is culturally offensive to Māori and mana whenua.
- An application for a global stormwater consent has been lodged with the relevant consent authority and it is expected that a decision will be made in 2025, which will inevitably require wastewater system upgrades.
- **Aging and declining condition of infrastructure** – More than 1,000 km of public wastewater network has been developed over the past 125 years and many parts of it are aged. The outdated legacy design, which involves redirecting wastewater to freshwater or stormwater during periods of high flows or blockages, presents a significant challenge in attaining the objective of preventing wastewater from entering freshwater sources. The wastewater system experiences regular blockages and overflows, posing both offensive and environmentally harmful consequences. The system is prone to overload during rainfall; it also leaks which allows stormwater ingress during wet weather and wastewater discharge during dry weather. This is known as inflow and infiltration (I&I) and has been an issue nationally for many years.
- **Mitigation and adaptation to climate change** – Climate change is leading to an increase in extreme weather events, including extreme rainfall events and landslips, which exacerbates wastewater overflows. Sea level rise and rising groundwater tables associated with climate change also have an impact on underground water assets. The Moa Point and Porirua Wastewater Treatment Plants are located outside flood inundation zones, meaning the key vulnerabilities in wastewater system are associated with infiltration of the pipe network.
- **Earthquake hazards and earthquake prone buildings** – The ground our three water assets are in are subject to earthquakes and other natural hazards which leaves them vulnerable to disruption. There was some localised damage of the wastewater network around the Port in 2016.
- **Affordability and deliverability** – The volume of work needed to keep pace with the aging assets and growth is unaffordable under the current funding environment. Furthermore, the capacity of the construction market to deliver is limited. Additionally, due to changing standards the requirements and costs for gaining resource consents is becoming more challenging and expensive.

Principal options

This activity and related solutions primarily contribute to the priority "*fix our water infrastructure and improve the health of waterways*." There is also a strong contribution to "*collaborate with our* *communities to mitigate and adapt to climate change*,” and “*transform our waste system to enable a circular economy*.” We will also take every opportunity to apply each of the strategic approaches.

The following shows how we have used the strategic priorities and applied the overarching principal options to identify specific options to address the key issues for this activity group.

- **Prioritising growth areas and changing demand** – Higher standards to meet for Wastewater Global Consent. At times of heavy rainfalls enter our wastewater network which often leads to wastewater overflows into freshwater or marine environments. This is a compliance and environmental issue which will be addressed in the new global consent which has been lodged by Wellington Water with the Regional Council. This new consent will result in more stringent consent conditions and will mean additional costs when improving the network to ensure our overflows are mitigated. Once finalised we will be in a better position to understand options around investment requirements, but it will likely require a holding tank to contain overflows within a key strategic part of the network. This is expected to be by 2024-2025 and will help to inform the next LTP. Assumptions have been made and included in the planning of the maintenance and renewals activities.
- **Targeting emissions reductions to the greatest gains and operational efficiency –** We have prioritised completion on the sludge minimisation facility to remove sludge from the landfill. We will also prioritise building capacity in the network to remove overflow into the stormwater system and improve the health or our waterways.
- **Grow our understanding of adaptation impacts and costs –** As we find and repair leaks in the wastewater pipe network, we will seek to understand the sea level rise issues and include any mitigation as we go.
- **Prioritising interventions and the work programme for affordability –** For operational and financial efficiency and overall affordability, we will prioritise repairing and replacing assets in very poor and poor condition and highest criticality.

Issues and options[9]

Issues	Options	Decision Date	Delivery Timing	Costs	Risks and Implications
Aging assets and significant wastewater overflows The wastewater network is aging and will require prioritised renewals. During heavy rain events, stormwater gets into the wastewater pipes through inflow and infiltration, which can overwhelm the network and result in wastewater overflows.	Ongoing repairs to maintain the wastewater network. Prioritised renewals throughout the wastewater network Critical renewals include: • Eastern Trunk Main • Airport wastewater treatment triplicate interceptor • Pump station renewals	Ongoing annual investment will be required	2024/25	$52.9m	Raw sewage would enter the centre in a collapse. The Airport has started redeveloping the logistics centre and the risk collapse through construction is expected to increase. There is a contingency in place to pump sewage around the site if a collapse occurred, but this would be an OPEX cost to Council. As with the Eastern Trunk Main, the inside of one of the pipes at the airport is corroding and it is at very high risk of collapse. Collapse will result in sewage spilling out through the Airport and Kilbirnie in wet weather. Would be inefficient to renew this section in isolation of the other sections. Some procurement issues securing a contractor to do the work. Pump stations are critical assets that need a replacement plan to avoid asset failure. Failing to plan increases risk of wastewater overflows impacting the

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[9] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

					environment and public health. Pumpstations.
Carbon emissions and constraints on waste minimisation Our efforts to minimise waste and reduce carbon emissions at the landfill are hampered by the requirement for wet sewage sludge disposal at Southern Landfill. The Sludge Minimisation Facility is under development which will remove residual water from the sludge, reduce its volume and render it inert and no longer a biohazard. It will reduce sludge volumes by up to 80%.	This option was consulted on in the 2021 LTP and is currently under construction.	2021	2023-2026 Operational by June 2026	$400m	This is a significant step in our efforts to reduce emissions and move towards a circular economy.
Wastewater Treatment Plants are aging The Moa Point and Western Wastewater Treatment Plants require significant renewals as many of these assets are at the end of their useful life. Without renewal they are operating under a reactive approach and things are only fixed or replaced when they break. There is little redundancy in the system making repairs difficult.	Invest to meet compliance requirements (adopted). Invest to meet compliance and growth requirements.	2024	2024-2027	$72m over 3 years.	Reactive asset replacement results in an extend period of non-compliance, odour issues and impacts to water quality while design is completed, and parts are procured.

NOTE: Dollar amounts are indicative for out years and will be refined as more information is available and the implementation period draws closer.

Wastewater Activity Opex and Capex forecast[10]

Year	Operating Expenditure[11]	Capital Expenditure
2025/26~~2024/25~~	120,384,984 ~~102,092,128~~	194,967,048 ~~166,807,858~~
2026/27~~2025/26~~	1,205,261 ~~106,638,119~~	16,872,477 ~~184,886,448~~
2027/28~~2026/27~~	1,211,237 ~~120,470,971~~	0 ~~53,882,040~~
2028/29~~2027/28~~	1,216,168 ~~130,868,849~~	0 ~~80,142,520~~
2029/30~~2028/29~~	1,223,554 ~~139,018,678~~	0 ~~62,510,137~~
2030/31~~2029/30~~	1,229,153 ~~145,771,008~~	0 ~~60,640,267~~
2031/32~~2030/31~~	1,234,440 ~~151,986,702~~	0 ~~54,071,012~~
2032/33~~2031/32~~	1,238,432 ~~160,157,534~~	0 ~~54,303,723~~
2033/34~~2032/33~~	1,243,719 ~~166,934,796~~	0 ~~55,784,530~~
2034/35~~2033/34~~	1,253,314 ~~174,479,268~~	0 ~~111,764,934~~
2036-2040~~2034-2039~~	6,317,695 ~~1,004,465,170~~	0 ~~809,214,801~~
2041-2045~~2039-2044~~	6,409,013 ~~1,260,802,110~~	0 ~~343,998,237~~

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[10] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

[11] This includes the total cost of asset ownership including depreciation, Insurance and interest costs on top of the funding that we provide Wellington Water Limited.

Year	Operating Expenditure[11]		Capital Expenditure	
2046-2050~~2044-2049~~	6,491,690	~~1,582,709,703~~	0	~~509,703,943~~
2051-2055~~2049-2054~~	5,182,636	~~1,875,222,854~~	0	~~296,584,731~~
Total	**155,841,297**	~~**7,121,617,891**~~	**211,839,525**	~~**2,844,295,182**~~

Figures are inflation adjusted

Stormwater drainage

Historically, the purpose of our stormwater system has been to drain rainwater from homes, premises, and roads to prevent flooding that creates risks for public health and safety. The physical assets include pipes, culverts, and sumps, but the performance of the system is also highly dependent on overland flow paths, open channels and streams that carry the water around, rather than through individual properties, and enable the safe passage of stormwater when the pipe network is at capacity.

Streams have also been piped over time to enable the development of roads, buildings, and other city infrastructure. The stormwater systems around the city have been designed to a range of standards accommodate certain volumes of rainfall, meaning that some parts of the city are more prone to flooding than others.

Traditionally, stormwater has been about gravity drainage of rainwater. Increasingly however, it is also about water quality and environmental concerns, such as fish passage and a desire to ‘daylight’ pipes streams. This is a challenge to the traditional asset management approach.

A further challenge is the changing climate and sea level rise. The existing assets were not designed with these changes in mind, and therefore the stormwater network is increasingly unfit for purpose. Seawater intrusion is now significant, and we need a greater level of granularity to understand how to meet this challenge now and into the future. For example, we will need to pump more stormwater in future. The current setup was not designed as a pressurised network.

The existing stormwater systems discharge directly into the environment, but it is now recognised that stormwater is a source of contaminants that can impact on water quality and ecosystem health. Heavy metals (such as zinc and copper), hydrocarbons, sediments and nutrients enter the water from areas of urban development causing acute and chronic toxicity to the indigenous fish and invertebrates that once thrived in our city’s waterways. Changes in flow during low to moderate rainfall can also cause erosion in streams, and the discharge of ‘hot’ stormwater in summer rainfall can be detrimental to downstream ecosystems.

Taken all together, the adverse environmental impacts of the stormwater system can extend through the entire stream system to the harbour, where sediments smother life on the seafloor. Wastewater that enters the stormwater system either through leaking wastewater pipes, constructed overflows from the wastewater network or illegal connections, creates a significant public health risk and prevents safe swimming in our streams or coastal waters following even moderate rainfall. It also impacts on the aquatic life and biodiversity of these water bodies. These matters need to be addressed in response to the National Policy Statement for Freshwater for the network to be compliant. This will require significant investment, including in nature-based urban environment solutions.

Asset overview

Our assets are valued (Optimised Replacement Value) at approximately $2,342 million as at 30 June 2023 and include:

- 729km of pipes
- 3km tunnels
- 2 Pump stations
- 28,000 fittings

Asset condition and lifecycle

15.5% of stormwater pipes network are estimated to be in poor or very poor condition. However, the level of confidence of this information is low, due to the lack of on-site condition assessment. This means that there is a high level of uncertainty in planning and forecasting maintenance and renewals.

Building assets are managed in SPM Asset Software. This includes individual asset records, asset registers, condition data, lifecycle analysis and reporting functionality.

Based on the desktop assessment and the VHCA work, an estimate of the relative condition of assets is shown in the figures below. ~~This information underpins the approach to investment planning, asset management planning, asset renewals and infrastructure project delivery.~~ This information underpins the current approach to investment planning, asset management planning, asset renewalsand infrastructure project delivery. It is assumed that ownership and responsibility of Wastewater assets will no longer rest with Wellington City Council from 1 July 2026.

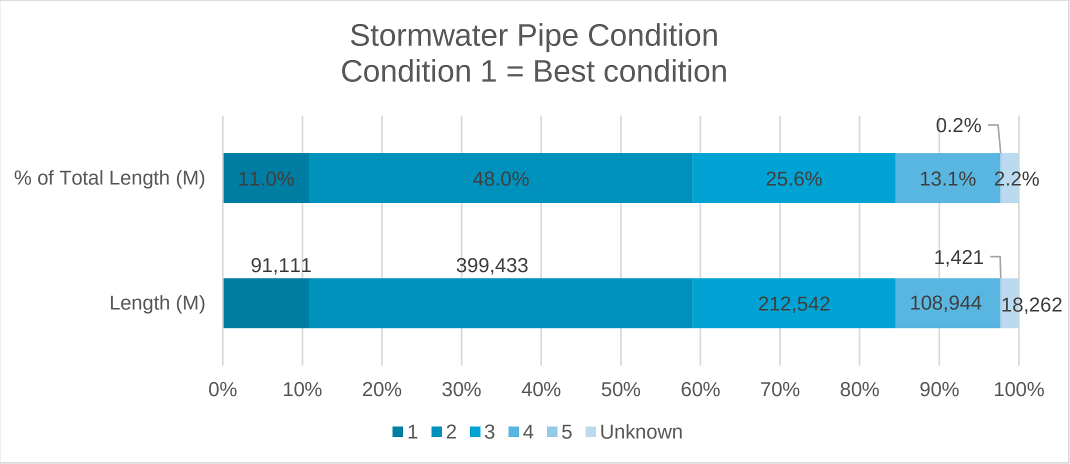

Figure 7: Stormwater Pipe Network Condition

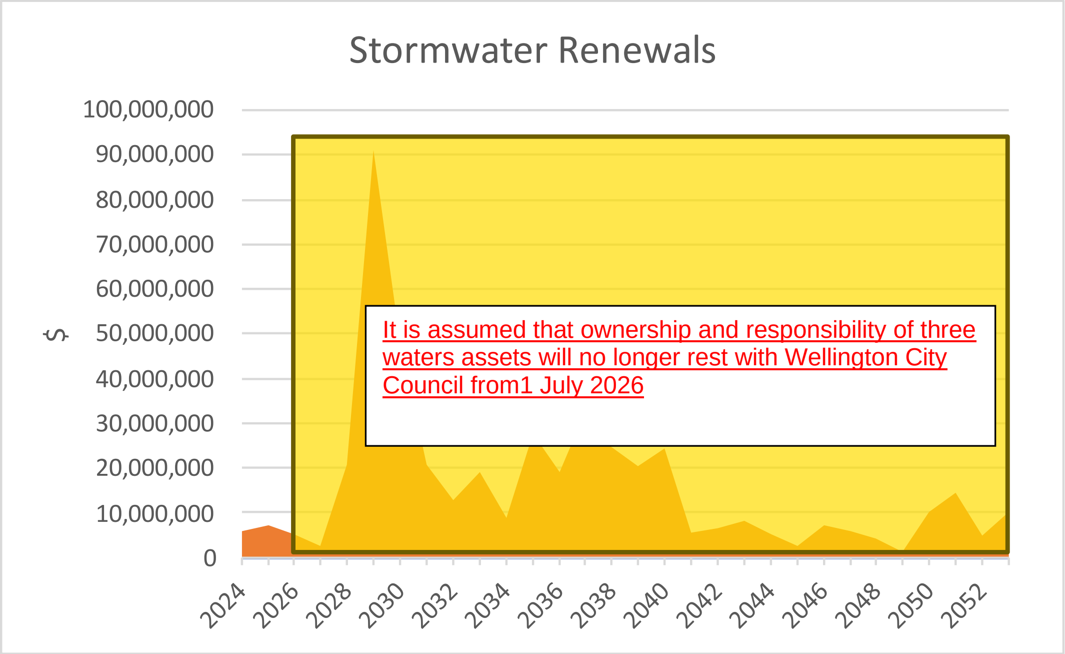

Figure 8: Stormwater Renewal Profile[12]

Level of service and performance

The stormwater network, while old, still generally performs as designed. Stormwater is discharged into the surrounding natural waterways and then the harbour and sea. There are instances after rainfall events when stormwater is contaminated, and the sea and waterways become polluted resulting in some temporary closures. Environmental standards and community expectations around water quality have changed since the network was built and to meet those will require more education and improved infrastructure.

There are small number of areas in the city that are also impacted by flooding in high rainfall events. This is exacerbated when the rainfall events coincide with high tides. Climate change will result in more frequent high rainfall events in the city which means that additional investment will be required in the stormwater network over the next 30 years.

In high rainfall events stormwater enters the wastewater network causing overflows which impacts streams, the marine environment, and low-lying habitats.

Key challenges

This activity group is affected by all the identified key challenges.

- **Population growth and changing demand** – Where and how we design additional housing has a significant impact on our stormwater network and to some extent has been managed through our Proposed District Plan, using hazard mapping and requiring on-site containment. We know that Tawa suffers from extensive flooding due to its topography and overland flow path restrictions and that there is a lack of a capacity in the Porirua Stream. We also know that there are areas that are already flooding due to undersized pipes. New legislation will have an impact on the stormwater level of service. The Greater Wellington Region Council (GWRRC) Natural Resources Plan gives effect to the National Policy Statement - Freshwater Management via Whaitua te

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[12] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

Whanganui-a-Tara (‘Whaitua’). This will in turn require improvements in and stormwater contaminants. The status quo will not satisfy these increased requirements. This links to our investment in wastewater and is a significant strategic driver of change across this sector. Green infrastructure will also need to be factored in more to help manage stormwater runoff in terms of quantity and quality.

- **Aging and declining condition of infrastructure** – The stormwater system was designed for weather patterns that at that time did not consider global warming and sea level rise, as it was not on the radar. Future investment will need to ensure that stormwater pipes are appropriately sized to accommodate changing needs.
- **Mitigation and adaptation to climate change** – Stormwater is closely linked with roading, flooding and land use. With climate change, stormwater management is likely to be a constraint on the future shape of Wellington. The challenges with managing stormwater are expected to increase over time as the frequency of heavy rain events increases, sea level rise makes it more difficult for stormwater to discharge, and as growth and intensification reduces ground permeability and impacts on overland flow paths. Historically, our stormwater planning has not been cognisant of climate change challenges such as more intense rainfall and sea level rise. Our stormwater outlet systems are becoming less effective within our harbour due sea level rise within low lying land.
- **Earthquake hazards and earthquake prone buildings –** The ground our three water assets are in are subject to earthquakes and other natural hazards which leaves them vulnerable to disruption. Several earthquakes have also contributed to damage of many assets.
- **Affordability and deliverability –** The volume of work needed to keep pace with the aging assets and growth is unaffordable under the current funding environment. Furthermore, the capacity of the construction market to deliver is limited. Additionally, due to changing standards the requirements and costs for gaining resource consents is becoming more challenging and expensive.

Principal options

This activity and related solutions primarily contribute to the priority “*fix our water infrastructure and improve the health of waterways*.” There is also a strong contribution to “*collaborate with our communities to mitigate and adapt to climate change*.” We will also take every opportunity to apply each of the strategic approaches.

The following shows how we have used the strategic priorities and applied the overarching principal options to identify specific options to address the key issues for this activity group.

- **Prioritising growth areas –** We will prioritise investment in stormwater filtration and flood protection in conjunction with or ahead of transport infrastructure investment, public realm upgrades or housing development.
- **Targeting emissions reductions to the greatest gains and operational efficiency –** For operational efficiency, we will prioritise investment in stormwater filtration and flood protect in conjunction with or ahead of transport infrastructure investment, public realm, or housing development.
- **Grow our understanding of adaptation impacts and costs –** We will focus on understanding where the greatest flooding risks are and prioritise investment in nature-based solutions and flood containment in those areas. We will continue working with Wellington Water to better understand our current risk exposure to coastal hazards, and how adaptation planning can be integrated into renewals.
- **Prioritising interventions and the work programme for affordability** – We will prioritise repairing and replacing assets in very poor and poor condition and highest criticality.

Issues and options[13]

Issues	Options	Decision Date	Timing	Costs	Risks and Implications
Aging assets and level of service Council's existing asset infrastructure is aging and becoming less reliable resulting in decreasing levels of service and increased reactive interventions Wellington's population is growing and demands on infrastructure are increasing, resulting in greater investment required to maintain levels of service.	Do nothing– not renewing core infrastructure assets does not meet Council's statutory obligations. Selective renewal – choosing not to renew assets due to a change in demand, level of service or the asset is no longer needed. Prioritised renewal – based on condition assessments indicating sufficient life remaining in an asset to maintain levels of service. (Adopted)	Ongoing annual investment will be required	2024/25	$3.7m	Prioritised renewal based on condition assessment is an effective way to manage a network.
Resilience to natural hazards Wellington's stormwater infrastructure faces growing issues associated with climate change impacts including sea level rise (as well as sinking vertical land movement along much of Wellington's harbour and South Coast), storm surge and inland flooding. The exposure to these issues is exacerbated by earthquake/liquefaction events.	Strategic decisions on how we address climate related risks and adaptation are needed before options for each location can be identified.	TBC	TBC	TBC	Climate related risk is a consideration for resilience and growth aspirations. A coordinated strategic approach is needed.

NOTE: Dollar amounts are indicative for out years and will be refined as more information is available and the implementation period draws closer.

Stormwater Opex and Capex forecast[14]

Year	Operating Expenditure[15]	Capital Expenditure
2025/26~~2024/25~~	57,275,062 ~~46,094,907~~	3,789,440 ~~3,721,115~~
2026/27~~2025/26~~	3,784,974 ~~47,699,074~~	~~3,789,440~~
2027/28~~2026/27~~	3,911,778 ~~51,447,075~~	~~13,323,494~~
2028/29~~2027/28~~	4,028,146 ~~55,131,255~~	~~7,813,959~~
2029/30~~2028/29~~	4,161,220 ~~58,851,268~~	~~11,546,955~~
2030/31~~2029/30~~	4,281,208 ~~62,642,185~~	~~26,641,005~~
2031/32~~2030/31~~	4,396,562 ~~66,719,608~~	~~57,854,535~~
2032/33~~2031/32~~	4,499,720 ~~71,287,536~~	~~53,406,632~~
2033/34~~2032/33~~	4,615,854 ~~76,037,592~~	~~17,463,525~~

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[13] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

[14] Due to LWDW reform it is assumed that from 1 July 2026 ownership and responsibility of three water assets will no longer rest with Wellington City Council.

[15] This includes the total cost of asset ownership including depreciation, Insurance and interest costs on top of the funding that we provide Wellington Water Limited.

2034/35~~2033/34~~	2,158,703 ~~80,420,945~~	~~13,085,681~~
2036-2040~~2034-2039~~	11,543,190 ~~455,348,099~~	~~317,706,192~~
2041-2045~~2039-2044~~	12,914,717 ~~575,436,523~~	~~147,570,290~~
2046-2050~~2044-2049~~	14,396,687 ~~733,103,019~~	~~228,491,484~~
2051-2055~~2049-2054~~	2,320,682 ~~928,974,702~~	~~158,236,103~~
Total ~~**Total**~~	**134,288,506** ~~**3,309,193,788**~~	**3,789,440** ~~**1,060,650,410**~~

Figures are inflation adjusted

A further note on mitigation and adaptation to climate change.

This will become more of an issue for us in the stormwater space due to low lying land, increasing rainfall and need to protect overland flow paths. There could be a cost of between $1.83 billion to $763m over the 30-year horizon. There are well known flooding issues in Tawa due to lack of existing capacity, restricted overland flow paths and flooding from the Porirua Stream. Flooding also exists in Johnsonville, CBD and Newtown.

Between now and the next LTP we need to:

- Develop A WCC strategy for addressing climate adaptation and resilience (for example managing sea-level rise).
- Investigate more non-engineered solutions such as minimum floor heights, blue green solutions such as daylighting streams and other measures to reduce run off and store flood flows in dual use locations eg: parks.

Delaying significant stormwater work presents a risk of diminishing return on stormwater mitigation solutions due to climate change effects. For example, for a 50-year return period for flood mitigation control may equate to a much lower return period of control in the future.

Waste

Strategic direction

Our modern way of living, dependence on resource use, and unsustainable practices are causing environmental harm. In 2021 Wellingtonians disposed 418kg of waste per person. As a city, this is in the midrange for waste per person compared to other cities in NZ and internationally.

We have recently published a Zero Waste Strategy, defining our role in waste, and recognising the need to set a pathway for intergenerational sustainability, design waste and pollution out and keeping resources in use for as long as possible. We also work with other councils in the region and jointly developed a Regional Waste Management and Minimisation Plan. Our strategy and the regional plan both outline a shift from managing waste to preventing waste, reuse of resources and recycling and is aligned to the Ministry for the Environment's Waste Strategy.

Efforts to achieve our objectives have been hampered by the sewerage waste being disposed into the landfill, with a condition that sludge must be mixed 1:4 with solid waste for stability. Last LTP we consulted on options to manage sludge differently. We are now building a sludge dewatering plant which will remove at least 80% of sludge to the landfill, and there are potential opportunities to make use of the organic waste product that may eliminate sludge in the landfill altogether. To invest in this facility quickly, the council has utilised the Infrastructure Funding and Financing (IFF) tool.

This enables us to focus on removing other waste types from the landfill:

- Organic waste
- Construction and demolition
- Plastics, packaging, and consumables.

Asset overview

Our assets are valued (Optimised Replacement Value) at approximately $54.9 million as at 30 June 2023 and include:

- The Southern Landfill
- Capital Compost (composting facility)
- The Tip Shop and Recycle Centre

Critical assets have been identified at the landfill based upon impact to the provision of the landfill as a service, as well as economic, social, cultural and environmental impacts. These critical assets include the following:

- Landfill Access Road
- Leachate Collection System
- Stormwater Control System
- Weighbridge and Associated Software
- Landfill Tunnel

Asset condition and lifecycle

Overall data confidence for the Solid Waste portfolio is rated as "C - Medium". Whilst recent condition assessments have provided visibility of the built section of the portfolio, there is missing information for plant and equipment and infrastructure in a structured format. Knowledge of the condition of these assets is largely known – and associated renewal costs planned for, however this information does not exist in an asset information system.

Asset data pertaining to the Solid Waste portfolio is maintained primarily within WCC's Asset Management Information System. Plant and Equipment and Infrastructure assets are recognised as an unknown condition, noting that there is an improvement plan to better capture this data.

The condition of known assets is primarily in the average to very good range, with only 4% of these assets rated as poor to very poor. 58% of these assets are expected to have in excess of half of their useful lives remaining before renewal is required.

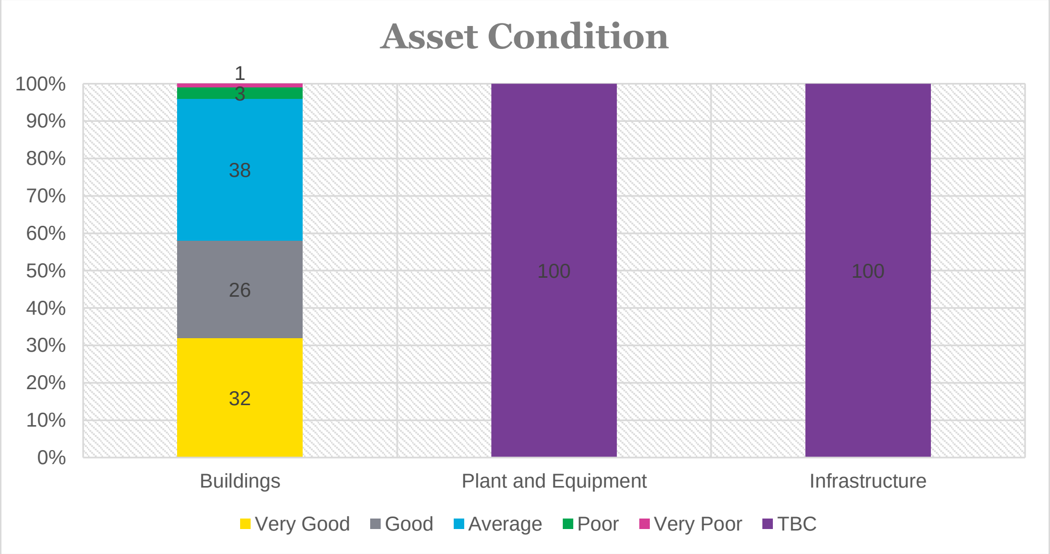

Figure 9: Solid Waste Asset Condition

How we forecast Asset renewals

Renewals of assets within the solid waste activity are driven from data, and BU knowledge. Recent comprehensive condition assessment of the vertical infrastructure provides real confidence in forecasting renewals based on age and performance and is reflected in the financial forecasts for the business. Plant and infrastructure (principally access roads and the landfill) are forecasted by the BU within this LTP based on working knowledge and the requirement to continue service. Detailed lifecycle forecasts are captured and provided in the financial section of the Asset Management plan and summarised in the financial section of this document.

Asset Lifecycle

Asset lifecycle analysis has been undertaken for the built portfolio of the landfill, with both an unconstrained and constrained approach, to determine the level of risk in deferring renewals. The constrained scenario is based upon funding 75% of required renewals from 2024 until 2034, with any deferred renewals over this period to be funded and spread across years 2034 to 2044. The level of risk associated with deferral of these building related renewals is considered to be low, with the majority of assets still remaining within an average to very good condition rating across the deferral period as illustrated in the two expenditure scenarios below. However, there are some key assets that are significant items that must be appropriately funded. These have been funded at 100% - Carrey Gully tunnel ($9m) and compost screen ($300k) and compost shredder ($700k).

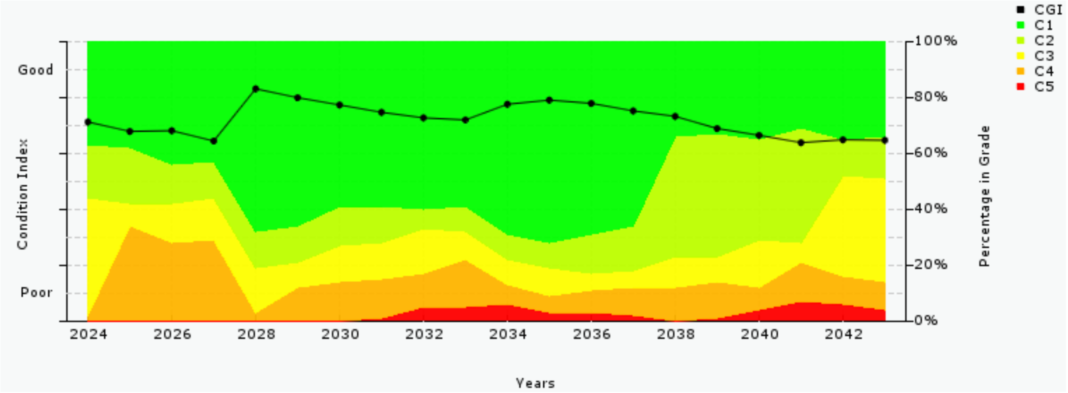

Figure 10: Solid Waste 20 Year Asset Lifecycle Analysis – Unconstrained Expenditure

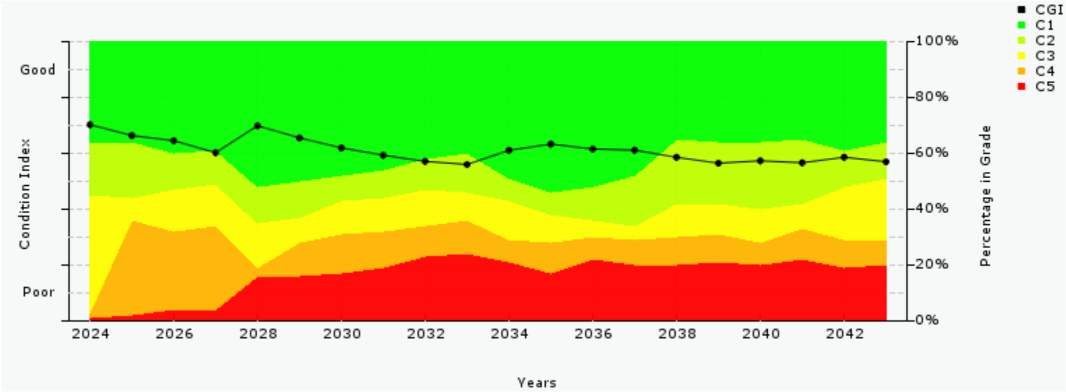

Figure 11: Solid Waste 20 Year Asset Lifecycle Analysis – 75% Constrained Expenditure

Level of service and performance

Over two thirds of Wellingtonians are satisfied with recycling and waste collection services. The current service is supported by the Southern Landfill, a gas capture system that is performing well, a composting facility, and the recycling centre and tip shop. While the existing service and assets are performing well, Council’s Zero Waste Strategy proposes a higher level of service for Wellingtonians for the future that removes organic waste, construction and demolition, and plastics, packaging, and consumables from the landfill. This will require a different approach to waste. The funding model needs to be updated, and additional investment will be required for new facilities. The enhanced level of service will be a key issue in the 2024 Consultation Document.

Council’s role

The Council has a legislative role to manage and minimise waste. This activity is inextricably linked to national regulations. We cannot just set bylaws to stop businesses producing waste, we must take collective ownership of the problem and support businesses and residents through a hierarchy of interventions, as illustrated.

These assets enable provision of waste disposal services, and services enabling the diversion of waste from landfill. Council contractors and private operators provide kerbside collection services.

We also raise awareness on how to avoid waste, and we fund businesses to implement change that reduces their waste creation or contributes to the circular economy.

Key challenges

This activity group is affected by all the identified key challenges.

- **Population growth and changing demand –** The city's population is growing which will place greater pressure on the existing waste system in the years ahead.
- **Mitigation and adaptation to climate change –** Community expectations are changing and want a system that is international best practice and supports them to be more environmentally sustainable. Approximately 80% of the Council's emissions are from the landfill, so focusing on removing decomposing waste is key to reducing our emissions. To achieve that we need to shift from a model that manages waste to a system that enables people to avoid waste going to the landfill in the first place.
- **Affordability and deliverability –** The processes and infrastructure are not in place to deliver our ambition to achieve a circular economy. It is expensive to invest in residual waste processing and disposal options. Big waste asset investments are needed at a time where both the council and the community have affordability constraints.

Principal options

This activity and related solutions primarily contribute to the priority *"transform our waste system to enable a circular economy*." There is also a strong contribution to "*improve the health of our waterways*." We will also take every opportunity to apply each of the strategic approaches.

The following shows how we have used the strategic priorities and applied the overarching principal options to identify specific options to address the key issues for this activity group.

- **Targeting emissions reductions to the greatest gains and operational efficiency –** As per our Zero Waste Strategy, we will focus our efforts on reducing waste, by investing in plant and infrastructure that reduces waste, particularly organic matter.
- **Grow our understanding of adaptation impacts and costs –** As residents and businesses become more capable of functioning without private vehicles, alternative was to enable access to recycling and waste management facilities becomes even more important. We will prioritise ensuring we have the right collection models to support the changing city.
- **Prioritising interventions and the work programme for affordability –** We have prioritised waste management and minimisation activities that avoid, reduce, and repair, repurpose and recycle. Where available we will seek central government funding that enables this transition.

Issues and options

Issues	Options	Decision Date	Delivery Timing	Costs	Risks and Implications
Organic waste There is increasing community expectation that councils provide organics waste solutions for households and businesses, to help reduce emissions and improve environmental outcomes. Organic waste contributes significantly to landfill emissions. We do not currently collect organic waste and have no local bylaws placing expectations on our residents. Not everyone can compost their organic waste in place. To address this, local authorities can intervene by investing in facilities to process	Investing in large scale organics processing, supplemented by local community composting (Adopted - $50k-$150k will be used from the Waste Levy Fund for years 1-3 to support community compost hub providers). Do nothing	2024	Design – 2025 Delivery – 2025-2027	$3m $23m	Difficult to acquire suitable land. Collection service will also need to be reviewed to support the service. We will need to utilise funding options from central government to deliver required system changes. We will need to get commercially savvy with investments in waste solutions.

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organics on a large scale and then sell the nutrient rich products to support local food production, nature reserves, parks, gardens, and other green spaces. A business case is in progress to identify options for processing organics. Decision for progressing investment needs to be made in 2024.					
Managing waste and servicing businesses and communities as we intensify the city. We currently only offer a rubbish bag and recycling bag or bin collection for residents, plus glass crates. The current system does not sufficiently separate different waste types. A decision is needed in 2024 and cannot be made without the organics waste decision first.	A new waste system that provides a broader range of bins for collection of waste, cardboard, plastics, cans, glass, and organics to allow for improved separation of waste (Adopted). Do nothing	2024	2024-2026 2039-2041	$10m $15m	The design of the new collection system needs to manage safety and accessibility and enable contractors to collect the bins effectively. Multi-unit developments will need careful consideration. This is further complicated with the wind and topography of Wellington making it a difficult challenge. The proposal to introduce a container return scheme (CRS) in New Zealand has been paused with no clear timeline for finalising the scheme design. Any decision about future collection services should consider the flexibility to respond to the potential introduction of a CRS.
Construction and demolition waste Construction and demolition waste can include timber, concrete, glass, steel, brick, packaging, metal, plasterboard, and other items. While it only makes up 7% of the Southern Landfill disposal, there are other commercial landfills taking the bulk of this resource in Wellington. Construction and demolition waste makes up 40–50% of New Zealand's waste. Construction and demolition landfills in Wellington are reaching capacity, and a large volume of construction and demolition waste is unnecessary. We lack the regulation and infrastructure to support materials separation and processing at scale. Landfilling construction and demolition waste contributes to carbon emissions and is a seen as a waste of materials. Reuse and recycling can significantly contribute to the prevention of the need for new materials. We do not see the council being the key operator in this space. However, if the market does not provide this WCC will need to work with other councils and private operators across the region to provide a solution.	Supporting commercial entities to start up, through regulations, brokerage, and land zoning.		N/A		Assumes commercial viability, and no significant capital investment from the Council.
Plastics, packaging, and consumables Plastic, textiles, paper, cardboard, and e-waste make up a combined 20.6% of waste to the Southern	Supporting commercial entities to start up, through regulations,		N/A		Assumes commercial viability, and no significant capital investment from the Council.

Landfill. All this waste could be re-used, repaired, repurposed, or recycled. However, we do not currently have sufficient infrastructure to enable this. With higher community expectations council is looking to the market to provide the necessary infrastructure in the future. A decision is needed by 2030.	brokerage, and land zoning.				
Lack of cleanfill capacity Wellington regional has limited cleanfil capacity and new options are essential. Options could include partnerships, or leases to private contractors. Commercial establishments typically own cleanfill. WCC has commenced a cleanfill However as there is limited capacity this a short to mid-term solution. If the market does not provide a solution, the Council will need to consider further intervention options by 2025.	Supporting commercial entities to start up, through regulations, brokerage, and land zoning.		N/A		Assumes commercial viability, and no significant capital investment from the Council.
Long term landfill capacity Growth in population and economic activity is likely to drive up overall household waste generation. We need to actively pursue interventions that avoid waste generation, and enable repair, repurposing, reusing, regenerating, and recycling, as per our Zero Waste Strategy. However, we will continue to need safe disposal of items such as hazardous waste. Our current landfill is consented until June 2026 and will be reaching capacity by then. In the short term, in addition to removing sludge from the landfill, we have taken the decision to extend the current landfill providing capacity beyond 2026. However, in the longer term there is likely to be the need for additional landfill capacity.	Southern Landfill Extension Piggyback Option (SLEPO) Parts A-D will provide 2.2 million cubic metres of landfill capacity, sufficient for 20 years at current rates. Parts A & B, approved by Council in February 2023, to be consented, constructed and operational by June 2026	2023 TBC	Parts A&B 2022-2028 Parts C&D timing tbc	$36 million Parts C&D will require additional funding - costs tbc	Monitoring of capacity will be ongoing. We will require a decision for future capacity needs by 2029/2030 Capital funding of $54.5m to extend SLF is provided for in the LTP, Parts A&B will cost $36M. Timing for Parts C&D to be confirmed and subject to future funding approval
Carey's Gully tunnel strengthening A tunnel runs north to south underneath the Southern Landfill, channelling water from Carey's Gully stream upstream of the landfill under the landfill before discharging it downstream meeting Owhiro stream. With the decision to extend landfill capacity via SLEPO, rather than extend the Southern Landfill further into the gully, this tunnel will be required in perpetuity, and it has been identified that work is required to ensure the tunnel meets static and seismic resilience requirements.	Tunnel strengthening works are being designed and costed, and will be finalised following a detailed survey of the tunnel, scheduled for December 2023 Option for taking at 75% renewals reduction is not available for this asset. (Adopted)	2027	Timing tbc	Estimated $9 million	Included in LTP and will be funded via closed landfill provision ($2.4M). The balance of the $9m has been signalled as a costs pressure in the AMP. The $9m is an indicative cost estimate provision only. The detailed cost will be determined in 2024 once further tunnel investigation and detailed design works have all been completed. Tunnel strengthening works and the timing of this will be a condition of the SLEPO resource consent.
High cost of waste asset maintenance and renewals	For affordability, reduced funding in years 1 to 10, resume	2024	2024-34 2034-44	$14.1m $5.5m	Deferring 25% of renewals does carry some risk. This will be managed through

The current renewal requirements are substantial and cannot be fully funded if the Council is to operate within the limits identified in the Financial Strategy. Funding waste asset renewals targeted 75% of unconstrained budget for years 1 to 10.	to 25% from year 11 to 20. (Adopted)		2044-54	$7.5m	prioritising where the greatest need is, such as safety and compliance. Carrey Gully tunnel (refer above) and compost screen ($300k) and compost shredder ($700k) have been fully funded.
	Fully fund renewals	2024	2024-34	$18.8	
			2034-44	$7.3m	
			2044-54	$10m	

NOTE: Dollar amounts are indicative for out years and will be refined as more information is available and the implementation period draws closer.

Waste Activity Opex and Capex forecast

Year	Operating Expenditure	Capital Expenditure
2025/26~~2024/25~~	37,313,766 ~~35,930,054~~	10,774,882 ~~15,334,088~~
2026/27~~2025/26~~	40,820,281 ~~37,248,659~~	35,839,807 ~~24,327,410~~
2027/28~~2026/27~~	55,229,525 ~~41,729,442~~	28,987,460 ~~35,839,807~~
2028/29~~2027/28~~	57,818,129 ~~56,222,743~~	11,159,975 ~~28,987,460~~
2029/30~~2028/29~~	61,525,620 ~~57,644,691~~	5,059,459 ~~11,159,975~~
2030/31~~2029/30~~	64,829,066 ~~60,645,207~~	5,438,921 ~~5,059,459~~
2031/32~~2030/31~~	67,134,797 ~~63,796,090~~	6,951,295 ~~5,438,921~~
2032/33~~2031/32~~	69,413,864 ~~66,060,532~~	7,181,157 ~~6,951,295~~
2033/34~~2032/33~~	71,938,523 ~~68,011,026~~	7,521,200 ~~7,181,157~~
2034/35~~2033/34~~	77,973,551 ~~70,146,496~~	8,093,815 ~~7,521,200~~
2036-2040~~2034-2039~~	413,034,504 ~~387,164,107~~	35,873,429 ~~36,797,627~~
2041-2045~~2039-2044~~	437,581,693 ~~394,509,187~~	41,254,733 ~~40,403,120~~
2046-2050~~2044-2049~~	481,565,781 ~~433,892,155~~	51,000,818 ~~43,096,758~~
2051-2055~~2049-2054~~	388,072,393 ~~444,686,919~~	11,406,960 ~~25,888,273~~
Total	**2,324,251,492** **~~2,217,687,307~~**	**266,543,912** **~~293,986,551~~**

Figures are inflation adjusted

Land Transport

Strategic direction

Transport plays a significant role in shaping what the city is like to live and work in as well as visit – and is a significant contributor to overall quality of life. Our streets are our most significant public spaces and account for almost 50% of the Central City space. Our city is growing which places increasing demand on our transport system and space. Our physical environment is constrained, and we cannot build our way out of this challenge by adding more roading capacity. Our biggest challenges are how to move more people around the city with fewer vehicles and to make sure that our streets are attractive places for people to move through and spend time in.

One of the key mechanisms to help develop a transport system for the future has been to prioritise active and public transport modes over the private vehicle which is essential for Wellington City to:

- Reduce our carbon emissions by increasing mode shift away from reliance on private vehicles.
- Greater liveability, including enhanced urban amenity and enables urban development outcomes.
- Build resilience and adaptability to reduce disruptions and future uncertainty.
- Have a more efficient and reliable transport network.
- Improve road safety for all users.

The transport activity has historically been subsidised by approximately 51% through The New Zealand Transport Agency (NZTA) approved programmes. Investment in transport therefore must align to both our own strategies, and to the Government Policy Statement on Land Transport and the Regional Land Transport Plan. Alignment is important to achieve funding approvals. Changes in government often results in swings to different policy settings, resulting in the need to rethink or rephase our investment activities. There is a strong investment focus on optimising investments over time and decisions based on achieving long-term value for money. National Land Transport Plan funding allocated to the Council is lower than assumed in the 2024-34 LTP. This has resulted in a shortfall of revenue of approximately $68m over years 1 -3 of the 2024-34 LTP. This means some priorities and outcomes will take longer to achieve than originally envisaged.

The transport network is connected to the regional and national transport network, and we must also work closely with our neighbouring councils and NZTA to coordinate our investments.

Wellington's local transport network is on difficult terrain – it is steep, winding with lots of tight corners, narrow, old and is exposed to extreme natural events such as earthquakes, slips and storms.

The Council adopted the Sustainable Transport Hierarchy together with Te Atakura, which places walking, cycling and public transport as the top of the transport hierarchy for the city. To implement this and reduce our carbon emissions, the city's transport upgrade programmes and projects focus on system change to enable active and public transport solutions. The ongoing maintenance and renewals programmes are increasingly incorporating build back better initiatives where possible to complement this changing focus. We are committed to the mode shift programme, as it is integral to better outcomes for the environment, community, and economy.

Asset overview

Our assets are valued (Optimised Replacement Value) at approximately $2,494 million as at 30 June 2023 and include:

- 904km of footpaths
- Over 19,000 streetlights
- 3755 structures
- 700km roads

- 40km bike lanes
- 2km bridges and tunnels
- 200 seawalls
- 8km bus priority lanes

Asset condition and lifecycle

Data confidence for the Transport portfolio is rated as "A - Very High" There is a minimal level of uncertainty with recent and ongoing assessments of data taking place for the entire portfolio. The dataset is maintained and audited regularly and is in line with national standards and expectations for NZTA.

Asset data pertaining to the Transport Portfolio is maintained within WCC's Transport Asset Management System RAMM. The data has been aggregated into common groupings representative of the primary services they deliver across the network.

How we forecast Asset renewals

Renewals of assets within the Land Transport activity are driven from data and through the use of modelling combined with criticality (lifelines for example) and level of service required. The RAMM database is continually updated with network inspections and work completed. The modelling is field verified to validate the program of work. Programs are considered under a whole of life cost model which is currently overlaid by budget constraints. Budget constraints can lead to higher overall cost as we are effectively moving investment into later years. Lower renewals generally means an increase in maintenance in future years. The confidence in our data allows the Land Transport team to schedule maintenance and renewals with confidence and accuracy to meet the networks' needs. Lifecycle forecasts are captured and provided in the financial section of the Activity Management plan and summarised in the financial section of this document.

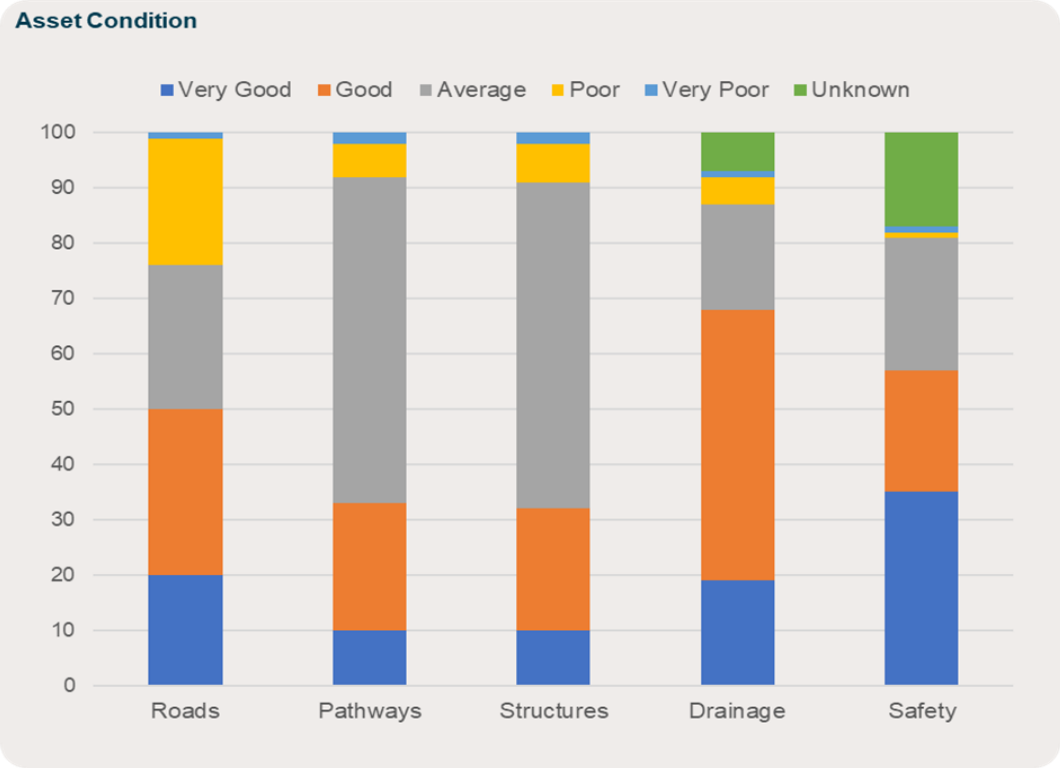

Figure 12: Land Transport Asset Condition

Across transport network assets the Council has high confidence in the quality of information of asset condition and its ability to prioritise renewal spending where the greatest need is, such as, safety, resilience, connectivity, and mode shift. In addition to prioritisation, transport delivery are able to seek value for money options through good procurement practices and review programme options for more cost-effective options and partnering with suppliers. For each asset within transport, choices have been made to balance this budget. Overall, the 75% renewals target was not able to be achieved in transport.

- Road Surface – Overall condition of the road surface is good, and a reduced funding level can be managed, accepting some deterioration, and increased safety risk.
- Pavement – Taking 75% approach to the pavement condition presents a high safety risk, and the decision has been taken to invest at 100% to maintain the asset and safety is not compromised. The damage being caused by heavy vehicles and the double decker buses was also a factor.
- Footpath – There is a small increase in trip hazards, but safety can be maintained at a reduced funded renewal programme. A trend of underspending has also been factored in.
- Drainage Assets – Ineffective flood management would occur with a reduced renewal reduction, so the decision has been taken to fully fund drainage asset renewals.
- Structures and Structural components – There is a need to improve the asset condition of structures, however there is some concern about the confidence in delivering an increased programme. A middle ground has been taken to maintain asset condition, without compromising safety or seeing a reduction in levels of service. The priority of the funding is on resilience.
- Traffic Services Assets - A full reduction in budget would result in increased safety risks and deteriorating condition. A middle ground was agreed with these assets.
- Cycleways – A significant reduction in cycleway renewals was agreed, accepting a deteriorating condition and increased safety risk.

Level of service and performance

At a high level, the city's transport system is generally performing adequately from safety and accessibility perspectives. Asset condition is acceptable with investment based on known parameters. Many of the monitored levels of customer satisfaction are showing a slow downward trend but this runs counter to asset condition which for many assets is stable.

Wellington is a compact city where cycling and walking are a preferred travel mode for a dedicated segment of the community for shorter trips. Public transport, delivered through an extensive bus network commissioned by the regional council, combined with trains to the north is a vital transport mode for many commuters. Capacity and reliability have impacted the bus service, but reliability and patronage is increasing again post Covid.

Travel times are modest outside peak congestion times, and the traditional congestion periods are more muted with greater take-up of working from home and flexible working arrangements in recent years (circa 15 percent of the city's workforce works from home per weekday).

As a city with a growing population, and limited space, we must make best use of existing transport corridors to accommodate population and business growth. Investment is planned for the cycling, walking and public transport networks to accommodate this growth and meet our city liveability and carbon goals.

Council's role

Our role is to provide the infrastructure necessary for people to participate in economic, social, and cultural activities. We must do this while protecting and enhancing the natural environment. To achieve this our role extends to:

- Planning, delivering, maintaining and operating our transport system.
- Developing the transport network to meet future needs of the city.
- Supporting the city's public transport network by providing space for the network to run efficiently and encouraging people to use it.
- Ensuring our transport network is safe for all users by making ongoing improvements and educating and promoting safe behaviours.
- Enhancing the attractiveness of walking or cycling around the city, through urban design, planting, new infrastructure, and promotion of active transport.
- Monitoring different modes of transport, understanding barriers to change, and making it safer, easier, and more enjoyable as well as convenient to walk, cycle and use public transport.

Key challenges

This activity group is affected by all the identified key challenges.

- **Population growth and changing demand –** Growing traffic congestion and unreliable travel times are an issue. Population growth adds to this problem, especially if we do not provide more efficient ways for people to move around the city and region. Intensification of housing will support reducing the need to travel. But travel is a response to how the city is configured and those outer areas will continue to need to travel by vehicles due to the distance. This configuration is also a contributing factor to sedentary lifestyles and poor public health outcomes. Mode shift is a key response to this challenge, but capital projects cause major disruption and some parts of the community challenge the changes. Furthermore, investment in safety interventions is not yet leading to an overall reduction in harm.
- **Aging and declining condition of infrastructure –** The main issue with aging infrastructure is related to structures. This is the biggest asset value in our transport network. This includes retaining walls, bridges, and tunnels. This does mean an increasing need for investment over the next 10 years.

- **Mitigation and adaptation to climate change –** The transport sector is a significant contributor to greenhouse gas emissions, primarily from burning fossil fuels in vehicles. Combustion engines also emit air pollutants such as particulate matter and nitrogen oxides which have adverse effects on human health and the environment. Climate change is associated with extreme weather events, posing a threat to infrastructure – coastal roads are at risk of erosion and flooding due to more severe and frequent weather events. These impacts affect planning and maintenance, where stormwater needs alternative management options, and roads, bridges and retaining walls become vulnerable to slips. We need to achieve emissions reductions while managing growth.
- **Earthquake hazards and earthquake prone buildings –** Wellington's natural hazards are well known and a major challenge for the city and its infrastructure. The topography of the natural environment and the cut-fill built environment can result in slips, flooding, and liquefaction issues. This can result in disruptions during weather and seismic events. There are also additional costs associated with clean-up after any events as well as proactively making our transport network and associated infrastructure more resilient. The topography and small number of routes available to some areas of the city also creates vulnerability.
- **Affordability and deliverability –** All these challenges result in increased costs for management and maintenance of our transport network. The current market is very constrained which has resulted in costs escalations. Delivering on commitments in a resource constrained environment can impact response times for some services and customer satisfaction around levels of service. This is requiring more effort from staff to respond to reactive issues.

Principal options

This activity and related solutions primarily contribute to the priority *"transform our transport system to move more people with fewer vehicles*." There is also a strong contribution to "c*ollaborate with our communities to mitigate and adapt to climate change*," "r*evitalise the city and suburbs to support a thriving and resilient economy and support job growth*" and "*celebrate and make visible te ao Māori across our city*." We will also take every opportunity to apply each of the strategic approaches.

The following shows how we have used the strategic priorities and applied the overarching principal options to identify specific options to address the key issues for this activity group.

- **Prioritising growth areas –** Transport improvement projects are prioritised in accordance with the spatial plan priority growth areas. This is to enable housing growth and densification while maintaining levels of service for transport access.
- **Targeting emissions reductions to the greatest gains and operational efficiency –** Transport is a significant contributor to climate emissions. We will focus our efforts on improvements that enable low or zero emissions transport, which also deliver operational efficiency. This means prioritising public transport, cycling, and walking infrastructure.
- **Grow our understanding of adaptation impacts and costs –** As we invest in infrastructure improvements, new infrastructure and our maintenance and renewals, we will seek to understand the issues for the area and incorporate adaptation measures.
- **Prioritising interventions and the work programme for affordability –** Our investments will take a combined approach from managing demand, and optimising what we have, to investing in new infrastructure. We will prioritise public transport by investing in bus priority infrastructure. Public transport and active modes will be prioritised in and around the city and town centres to support economic vibrancy and ease of access. We will ensure we have considered all options and are investing cost-effectively.

Issues and options

Supporting mode shift, improving safety, and reducing vehicle kilometres travelled

The physical transport network in Wellington is constrained due to topographical features of the area and this has guided housing construction. North/south connections are the dominant travel connections in Wellington with a shortage of east/west connections. This creates congestion chokepoints resulting in uncertain travel times for public transport, freight, and private vehicles.

Additionally, public transport is not an efficient option for many journeys, so cars remain the most practical mode of travel for many journeys. A key method to reduce congestion is to encourage walking, cycling and public transport, but these options are often not seen as safe enough to be a real option.

In alignment with the Spatial Plan, adapting the Transport Network to reflect the sustainable transport hierarchy is a focus.

We have reviewed the People-friendly Streets Project, and decided to progress the highest priority projects planned, including the second bus priority route through the central city and bus improvements on the #2 route between ~~CBD~~Karori and Miramar / Seatoun.~~ for biking, walking, and bus priority. We will be developing a multi-modal programme, including bus priority improvements to guide the prioritisation of individual projects beyond year 5.~~

We are continuing to deliver the primary bike network and sustainable streets programme in the first 10 years, but at reduced cost, by building on the transitional approach but using more permanent materials and infrastructure where required. We will also extend~~, to complete~~ the delivery timeframe of the bike network and push delivery of ~~most of~~ the secondary network ~~the network over the next 10~~ out to years 11 to 20 year~~s~~. This will save $66m ~~over~~in the first ten years.

We have also reviewed the Thorndon Quay and Hutt Rd project. The roundabout on Aotea Quay will progress, but the Hutt Road portion of the project will be removed, at a cost saving of $10m.

High cost of transport maintenance and renewals

We have a higher cost of transport road maintenance in Wellington City, relative to other councils with similar transport networks. The sub-structure of Wellington's roads consists of flexible, highly water susceptible clays. This creates issues with the maintenance of the network. The construction of a roading network within the topographical constraints of the area has resulting in the need for a substantial number of structures across the district. This steep topography also requires and extensive network of drainage assets as we need to control the stormwater runoff. These combined challenges create a cost of maintenance environment which is high and there is no easy solution.

High axle loads from Electric busses is also leading to accelerated pavement deterioration on bus routes.

We also have an aging asset base which becomes more expensive to maintain while delivering the service levels our customers expect.

Resilience - Slips above and below roads, retaining walls, sea walls and other structures that support our roads.

There has been an adverse trend in the condition of our structures as reported by the structures condition assessments carried out over the last five years. Some transport corridors, including critical routes, do not meet current structural codes and therefore present a resilience risk.

As more work is done over coming years to assess infrastructure against new standards, it is highly likely that, yet undiscovered work will need to be undertaken to address resilience issues. Structural upgrades are high-cost items which will add to funding pressures in the future, including where growing climate change adaptation planning is required.

National Land Transport Plan revenue loss

Because National Land Transport Plan (NLTP) funding is lower than was assumed in the 2024-34 LTP, funding reductions of $130m are required to the capital programme to ensure there is no impact on Council's debt capacity. In response, several capital expenditure budgets for transport have changed, either through rephasing the programme to outer years, rescoping the capital programme, or removing the programme completely. This includes changes to budgets relating to the planned capital programme originally set to commence in 2025/26. The proposed reductions are based on the projects that have not received funding through the NLTP. Adjustments have also been made to savings amounts to reflect the reduced contribution from Greater Wellington Regional Council with respect to Bus Priority projects.

Issues	Options	Decision Date	Delivery Timing	Costs	Risks and Implications
Supporting mode shift, improving safety, and reducing vehicle kilometres travelled	Housing densification – enabled by the District Plan (non-asset solution underway) (part of adopted approach – integrated land use planning)	District Plan to be adopted in 2024	-	-	District Plan: Commissioners make significant changes to the Proposed District Plan through their decisions.
Supporting mode shift, improving safety, and reducing vehicle kilometres travelled	Demand Management – behaviour change programme (non-asset solution, ongoing) (part of adopted approach – managing demand)	ongoing	2024-34	OPEX – ongoing funding through LTP at $0.4, pa	Demand management: lower levels of infrastructure investment may result in it making more challenging to encourage behaviour change.
Supporting mode shift, improving safety, and reducing vehicle kilometres travelled	Improved cycleways network to support active travel and bus priority interventions to increase PT use (part of adopted approach – optimising the network)	ongoing	2024-34 2034-44 2044-54	$35.9m $62m $50.5m	Active and public transport: With a change in government, the level of investment aligned to some of Council's priority transport areas may shift resulting in lower levels of subsidy and a need to revisit timing assumptions.
Supporting mode shift, improving safety, and reducing vehicle kilometres travelled	Improved public transport priority and facilities for active travel in streets to and through the central city (part of adopted approach – optimising the network)	2024	2024-34	$104.5m	Active and public transport: With a change in government, the level of investment aligned to some of Council's priority transport areas may shift resulting in lower levels of subsidy and a need to revisit timing assumptions.
Supporting mode shift, improving safety, and reducing vehicle kilometres travelled	Mass Rapid Transit (MRT) (part of long-term preferred approach – new infrastructure)	Not provided for in this LTP	not yet established	not yet established	MRT: with the change in government, this has been signalled as not being a priority for funding. This will be confirmed through the GPS transport which is expected in early 2024.

Supporting mode shift, improving safety, and reducing vehicle kilometres travelled	Increase upgrades funding to do more work sooner.	2024	TBC	Incremental costs above preferred programme levels to accelerate delivery. Up to $600 million across transport upgrade programmes	Dependant on the level of subsidy from the government.
High cost of transport maintenance and renewals	Fund renewals at 75% and seek value for money options through good procurement practices and review programme options for more cost-effective options. Partner with suppliers.	2024	2024-2033 2033-2054	$39.3 m pa $58.2 m pa	Deferring 25% of renewals does carry some risk. This will be managed through prioritising where the greatest need is, such as, safety, resilience, connectivity, and mode shift.
High cost of transport maintenance and renewals	Reduced funding on cycleways renewals resulting from less capital investment in cycleway development, maintaining existing levels of service for resurfacing -30% reduction (Adopted)	2024	2024-2033 2033-2054	$41.9 m pa $55 m pa	This approach increases the likelihood of surfacing faults across the network, which reduces customer levels of service.
High cost of transport maintenance and renewals	Fully fund renewals	2024	2024-2033 2033-2054	$52.5pa $45m pa	
Resilience - Slips above and below roads, retaining walls, sea walls and other structures that support our roads.	Fund a programme of upgrades and renewals taking a risk-based approach to ensure the highest priority work is undertaken first.		annual budget	$10m pa	Infrastructure failures can disrupt travel times and impact commuters and businesses. Asset failures can also result in health and safety consequences. Several transport routes in the city have been designated as emergency routes which need higher levels of resilience to ensure lifelines.

NOTE: Dollar amounts are indicative for out years and will be refined as more information is available and the implementation period draws closer.

Land Transport Activity Opex and Capex forecast

Year	Operating Expenditure	Capital Expenditure
2025/26~~2024/25~~	136,143,675 ~~133,404,200~~	124,066,525 ~~141,898,888~~
2026/27~~2025/26~~	157,804,121 ~~142,141,831~~	114,581,915 ~~123,533,906~~

2027/28~~2026/27~~	160,444,981 ~~154,798,115~~	98,367,191 ~~151,885,924~~
2028/29~~2027/28~~	171,193,988 ~~170,133,838~~	85,132,375 ~~126,715,289~~
2029/30~~2028/29~~	180,883,398 ~~185,212,902~~	77,877,251 ~~108,390,990~~
2030/31~~2029/30~~	202,503,810 ~~199,464,146~~	69,624,021 ~~107,180,337~~
2031/32~~2030/31~~	215,310,601 ~~216,968,304~~	80,262,774 ~~92,005,788~~
2032/33~~2031/32~~	213,144,148 ~~223,055,898~~	65,859,369 ~~104,158,398~~
2033/34~~2032/33~~	225,023,995 ~~229,600,894~~	69,682,458 ~~93,238,580~~
2034/35~~2033/34~~	226,286,239 ~~243,542,349~~	80,543,521 ~~94,604,368~~
2036-2040~~2034-2039~~	1,226,247,210 ~~1,162,272,050~~	426,003,935 ~~429,373,111~~
2041-2045~~2039-2044~~	1,259,822,862 ~~1,260,680,777~~	466,915,021 ~~439,845,502~~
2046-2050~~2044-2049~~	1,324,383,518 ~~1,459,727,791~~	512,783,149 ~~483,221,305~~
2051-2055~~2049-2054~~	994,504,484 ~~1,493,141,050~~	377,652,691 ~~410,844,336~~
Total	**6,693,697,033** ~~**7,274,144,145**~~	**2,649,352,198** ~~**2,906,896,724**~~

Figures are inflation adjusted

Buildings (including civic buildings, venues, social housing)

Strategic direction

The investment in Wellington's performance arts venues enhances the city's creative ecosystem. These venues play a crucial role in hosting a variety of events, including arts, cultural activities, community gatherings, and international sports events.

Wellingtonians have a strong passion for entertainment and the arts and need accessible venues with suitable infrastructure and technology to support vibrant creative expression day and night.

Our performing arts venues are old, have seismic issues, and have the challenge of needing to adapt to climate change. When repairing and upgrading our facilities we also have an opportunity to reduce greenhouse gas emissions through green building standards, which will also contribute to reduced heating and cooling bills.

The existing assets within these venues, such as sound systems, public facilities, and kitchens, are essential for supporting diverse activities. While the venues meet the needs of hirers, there have been complaints about the additional cost burden on organisers who must bring their own equipment, making setup more expensive compared to other cities.

A recent review of WCC's civic performance venues identified that the WCC operating model for the performing arts venues (Shed 6, TSB Arena, Town Hall, MFC (Michael Fowler Centre), Opera House, St James Theatre) is sub-optimal, and not set-up for success. The model in its current form lacks alignment, transparency, and accountability in relation to how civic performance venues contribute to agreed WCC strategies and objectives. There is a significant opportunity to shift to a more effective operating model, including taking a strategic portfolio investment approach to the civic performance venues. The Economic Wellbeing Strategy underscores the city's dependence on performing arts and sports venues to drive a dynamic and vibrant economy.

We own a large portfolio of social housing assets. Housing in Wellington is becoming less affordable and there is growing pressure on the Wellington Housing market. Housing needs to be affordable if all Wellingtonians are to have safe, warm, dry homes that meet their needs. Te Toi Mahana (a community housing provider) operates the Council’s social housing function and controls the affordability of tenancies. We have a housing strategy, adopted in 2018, that seeks a housing system that supports sustainable, resilient, and connected communities, and ensures a well-functioning housing system, meeting the needs of Wellingtonians. The housing strategy influences the planning frameworks (such as the District Plan) and programmes such as Te Kainga.

Asset overview

Our assets are valued (Optimised Replacement Value) at approximately $620.7 million as at 30 June 2023 and include but are not limited to:

- Wellington Venues (operationally managed by Venues Wellington):
  - Michael Fowler Centre (recently identified as earthquake prone)
  - The Opera House (recently identified as earthquake prone)
  - St James Theatre (reopened 2022)
  - Town Hall (closed for seismic strengthening since 2013)
  - TSB Bank Arena
- Museums Wellington (operationally managed by Experience Wellington):
  - City Gallery

    - Space Place at Carter Observatory
    - Nairn Street Cottage
    - The Bond Store (earthquake prone)
- Other:
    - Tākina Exhibition and convention centre (new, opened 2023) - (run by Te Papa foundation)
    - Hannah Playhouse – (run by WCC)
    - Embassy Theatre (seismic assessment underway)
    - Te Whaea National Dance and Drama Centre
    - CAB (earthquake prone)
    - MOB (earthquake prone)
    - The Basin Reserve
    - Sky Stadium (co-owned with GWRC)
    - Capital E (former – earthquake prone)
- Waterfront buildings and assets
    - Shed 1 (earthquake prone), Shed 3, Shed 5, and Shed 6

Our social housing assets are valued (Optimised Replacement Value) at approximately $401.8 million as at 30 June 2023 and include:

- 275 social housing buildings, containing:
- 1786 units
- 2713 bedrooms
- 4835 bed spaces

Asset condition and lifecycle

Data confidence overall for this group of assets is “B – High”. All buildings in this grouping have been assessed through a comprehensive condition assessment survey undertaken in 2023. The reason that this isn’t “A – Very High” is that the data pertaining to the housing portfolio, whilst comprehensive is beginning to atrophy with age. This also applies to data for buildings currently being reinstated, demolished or undergoing large scale works – for example CAB, MOB and the Wellington Town Hall. WCC are currently undertaking a program of work to perform a full condition assessment of the housing portfolio, which will lift the rating for this grouping to “A – Very High”.

The condition of known assets is primarily in the average to very good range, with less than 10% of assets being rated as poor to very poor. Of the assets that fall into the poor to very poor range, the majority are within buildings that are currently undergoing remediation or large-scale reinstatement works in the Civic precinct and are not representative of the condition of the whole portfolio. Assets which are outside of this precinct are expected on average to have in excess of 50% of their useful lives remaining. Additional considerations related to seismic resilience, earthquake prone buildings and associated detailed seismic assessments are known and factored into lifecycle planning and renewal forecasts – however these are not represented in the condition assessment data below.

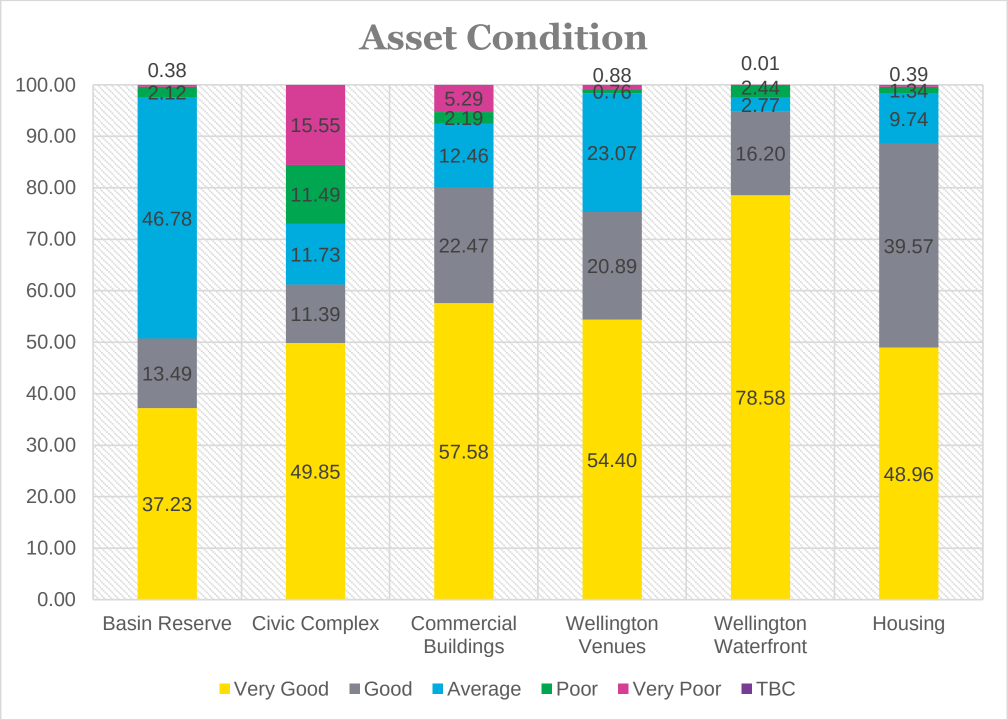

Figure 13: Buildings, Venues and Housing Asset Condition

Asset data pertaining to this asset grouping is maintained within WCC's Asset Management System. The data has been aggregated into common groupings based upon funding and the primary services they deliver across the network. Alongside this asset data, centralised repositories detailing factors such as heritage listings and earthquake prone buildings is maintained and factored into and underpins any lifecycle forecasting and renewal planning decisions.

How we forecast Asset renewals

Renewals of assets within this group of activities are driven from data and is determined by criticality (lifelines for example) and level of service required. Known issues that are non-data driven are considered and factored into planning decisions, such as seismic resilience and climate change. Detailed lifecycle forecasts are captured and provided in the financial section of the Activity Management plan and summarised in the financial section of this document.

Asset Lifecycle

Component based lifecycle analysis has been undertaken for all portfolios within this activity grouping, with multiple scenarios of renewal investment modelled and compared to an unconstrained expenditure profile to determine associated risk of deferred renewals. The adopted scenario is based upon funding 75% of predicted renewals in years 2024 to 2033, with any deferred renewals over this period to be funded and spread across years 2034-2043. The level of risk associated with deferral of these renewals is reasonably low, with most assets still remaining within an average to very good condition rating across the deferral period. The below graph is demonstrative of an unconstrained approach to expenditure to the portfolio, and associated condition grade index.

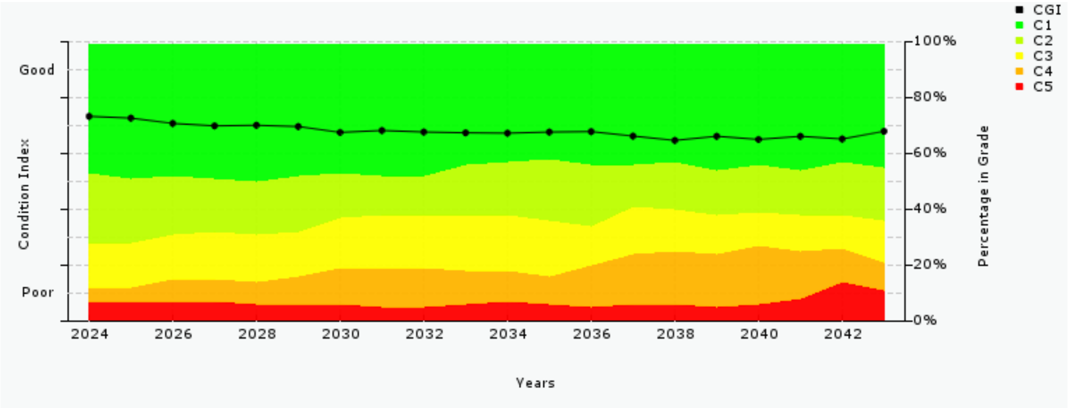

Figure 14: Buildings 20 Year Asset Lifecycle Analysis – Unconstrained Expenditure

Applying 75% Renewals Funding

- **Civic buildings** will be managed by prioritising safety and compliance. The 75% funding of renewals may result in an increased emergency maintenance in outer years. However, City Gallery is the key civic building needing renewal. The potential redevelopment of CAB & MOB means we won't be doing any renewals on these buildings, and the Town Hall and Library are currently being redeveloped. Basin Reserve Renewals will be prioritised together with the Basin Reserve Trust. We will support them to manage this budget. The most important focus will be on the turf and irrigation. Wellington Venues need seismic remediation. Detailed options analysis is being worked through to identify which buildings and investment are needed for future service provision. This information will inform the renewals programme from year 2. Therefore, bare minimum renewals will be applied to keep these facilities functional (ie: Michael Fowler Centre, Opera House).
- **For housing renewals**, 75% renewal funding has been applied. While Council condition information shows housing assets mainly being in very good or good condition, asset condition information is currently not fully up to date with the most recent comprehensive SPM data survey being performed in 2016 and therefore may not be reflective of current condition. A higher level of condition uncertainty creates some risk and uncertainty in our ability to prioritise renewal spending. The level of risk associated with the deferral of these renewals has been deemed to be relatively low, as a large proportion of these renewals are low-cost or low-risk renewals that are primarily dealt with through operational or reactive maintenance through the current vacate process at end of tenancy. Alongside this, levels of risk are lowered through the delivery of the HUP2 work programme and any renewals that will take place as part of this work. Furthermore, the renewals programme is delivered based upon prioritisation of individual components based upon risk and criticality. It is envisaged that once the full asset condition survey is completed in 2024 the Council and CHP will jointly develop and continue delivery of a strong renewals plan within the budget available. City Housing renewals are prioritised to safety and accessibility. Funding renewals at 75% carries greater risk in that it creates more property vacancies due to the poor condition. This incurs additional costs to the Council.

Level of service and performance

The breadth of facilities that the council owns to support cultural, economic, and social services in the city is significant. While the Council has been able to maintain service levels so that cultural expression and economic activity such as conferences and events can continue, the closure of the Town Hall for earthquake strengthening requirements has impacted some sectors. This has been offset with the recent opening of Tākina which has provided the city with a new world class conference and events centre.

There are still several civic facilities like the Opera House, Wellington Museum and the Michael Fowler Centre that will require earthquake remediation in the coming years but remain operational in the meantime. The earthquake remediation of civic venues will take a few years to work through.

Currently, venue usage is suboptimal at 51%, primarily because the venues have not been modernised to accommodate a larger number of events with diverse content. This gap means the city is not fully meeting the needs of event organizers and younger audiences, highlighting the necessity for a venue strategy to address these challenges and optimise venue utilisation.

The Council has provided Social Housing since the 1950's. It is now managed under lease by Te Toi Māhana Trust. The performance of the housing stock is generally good. Tenant satisfaction is high. About half of the housing stock has been upgraded to meet modern requirements and standards over the last 20 years as part of a cost sharing arrangement with the Crown, and the remainder of the housing stock will be upgraded in the coming years.

Council's role

Our role is to support economic, social, and cultural outcomes for the people of the city. Our venues, civic buildings and waterfront contribute to this. We currently own many buildings. We operate some services ourselves, and contract out other services, through Council Controlled Organisations (CCOs).

The council's role in housing is broad:

- Enabling capacity, supply, and affordability through the District Plan.
- Consenting and compliance.
- Collaborating with others to support Māori housing security and supporting rental housing supply (Te Kāinga partnership programme).
- Addressing homelessness.
- Public social housing.

Key challenges

This activity group is affected by all the identified key challenges.

- **Population growth and changing demand –** Some venues have low utilisation rates and content is expected to shift the new and refurbished venues in the coming years. There are gaps with audience interaction equipment and integration with the venues' surroundings. There is potential to tap into unsatisfied demand through scalable and flexible facilities, and target content to different age groups such as the under 35s. Fit for purpose housing means safe, secure, warm & dry, and meets the needs of the residents. Regarding our social housing stock, we have completed half of the upgrades needed to meet healthy, safe, and inclusive homes standards.
- **Aging and declining condition of infrastructure –** Maintenance of many of our buildings has been deferred for many years. Venues have also suffered from lack of investment in modern technology. This lack of investment impacts the operations, and ability to make the venues sustainable and useful. Our social housing is aging, not accessible, inclusive, or efficient and are no longer fit-for-purpose.
- **Mitigation and adaptation to climate change –** Many of our venues and buildings are subject to a range of natural hazards including flooding and coastal inundation; some are built on wharves. Refurbishing these buildings presents opportunities to reduce emissions, climate risk and be more fit for purpose, including addressing accessibility, suitability, and stakeholder needs. Housing can also contribute to emissions reductions by being energy efficient. Our portfolio needs to be assessed for the future risks associated with climate change.
- **Earthquake hazards and earthquake prone buildings –** Many of our venues and buildings are situated on reclaimed land and are subject to a range of natural hazards

including earthquakes. Unknown costs associated with remediation works arise due to the vulnerability of the land to seismic events, ground conditions and sea level rise. Tough decisions are needed as part of this LTP to identify the most strategic way forward. Strategic portfolio management of these buildings is necessary. The level of strengthening will need to factor in usage. This will be considered through a detailed options analysis report that will determine the future of the arts and culture and civic building portfolio. We anticipate that this will be ready for the 2027-37 LTP with investigations funded in this LTP. While our city housing portfolio is not earthquake prone, it does need upgrading to meet higher earthquake safety standards.

- **Affordability and deliverability –** The challenge is large, and the cost to solve it will be even larger. A strategic plan to deliver the right venues and buildings over the next 30 years is needed. We have faced challenges recently with costs increasing, and discovering issues once the building work has commenced. Management of these significant projects requires sound advice and governance to make strategically sound investment decisions in the future. Affordability has been an issue, and we have been part-funded by the Crown to be able to make these upgrades to social housing assets.

Principal options

This activity and related solutions primarily contribute to the priority *"Revitalise the city and suburbs to support a thriving and resilient economy and support job growth*." There is also a strong contribution to "*increase access to good, affordable housing to improve the wellbeing of our communities*" and "*celebrate and make visible te ao Māori across our city*." We will also take every opportunity to apply each of the strategic approaches.

The following shows how we have used the strategic priorities and applied the overarching principal options to identify specific options to address the key issues for this activity group.

- **Prioritising growth areas –** While prioritising growth areas will be considered, this is less of a consideration for this asset group, as the assets are destination assets for the whole city and in some cases for the region.
- **Targeting emissions reductions to the greatest gains and operational efficiency –** There is a significant opportunity to address building and energy relation emissions when we remediate and build new assets. We will focus on these opportunities when buildings are being repaired or new buildings are being constructed, but we will not be putting effort into retrofitting buildings where there would otherwise not be any construction activity.
- **Grow our understanding of adaptation impacts and costs –** As we take stock of the scale of the issue with our civic buildings and venues, we will develop our understanding of the adaptation needs, and take this into account when making decisions. This might include choosing not to place new buildings or rebuild in disaster prone areas but rather demolish buildings instead of remediation due to the challenges on the site.
- **Strategic rationalisation to better manage the overall asset portfolios –** Some of our buildings and venues have overlapping purposes. Because of the size and scale of the portfolio and the complexity and costs of the issues, we will complete the remediation projects underway, but will pause and reset to take a strategic portfolio view before making further decisions. This will allow the council to understand what the city needs and how best to deliver.
- **Prioritising interventions and the work programme for affordability –** Managing, maintaining and renewing such large buildings is costly. Understanding needs is important to help make decisions about demand management, optimisation, and renewal and replacement or demolishing. Options should also include consideration of demolishing to replace and demolished and not replacing.

Issues and options

In 2023 the Council decided to complete earthquake strengthening work already underway. The Town Hall and Library are already in progress with re-opening expected in 2027 and full completion in 2028. This is a significant expenditure of $546.7m over 2024 to 2028.

Administration buildings (CAB & MOB)

It is unaffordable to rebuild all the buildings we own. These buildings are vacant and have been for some time. To remediate within the required timeframe, we must take tough decisions.

We will also investigate options for including Experience Wellington and WellingtonNZ in the Council office fitout.

Remediation options for Te Ngākau the City to Sea Bridge, Civic Square basement, and Capital E

It is unaffordable to rebuild or remediate all the buildings we own. These buildings are vacant and have been for some time. To remediate within the required timeframe, we must take tough decisions.

Scale of total programme costs for buildings and Te Ngākau is unknown.

A business case is under development. This will consider the most strategic and cost-effective solutions to managing the portfolio so that it best delivers on our community outcomes, and long-term sustainability.

Addressing seismic issues, carbon emissions reduction and ensuring civic buildings and performance venues are fit for purpose

Wellington has a large portfolio of civic performance / entertainment venues for a city of its size. Some of these venues are near one another and fulfil a similar market purpose, for example: MFC & Town Hall.

Addressing seismic regulatory requirements for earthquake prone buildings is mandatory.

Opportunities exist to improve performance of assets including, ability to widen audience / experience offerings. Venue utilisation, reduction of carbon emissions (response to Te Atakura), etc.

Sky Stadium health and Safety

The Sky Stadium is 25 years old. The Stadium has done well in its first 20 years and was able to remain financially autonomous and contributes to self-fund its capex and opex. This has now changed due to;

- Recent earthquakes and seismic improvements subsequently required.
- Impact of earthquakes on insurance premiums
- Covid 19 Financial Impacts

Civic buildings renewals

The current renewal requirements are substantial and cannot be fully funded if the Council is to operate within the limits identified in the Financial Strategy.

Basin reserve renewals

The current renewal requirements are substantial and cannot be fully funded if the Council is to operate within the limits identified in the Financial Strategy. Funding Basin Reserve asset renewals at 75% of unconstrained budget is possible because of improved asset management planning data and information.

Earthquake strengthening has been invested in, and critical safety is already addressed.

Wellington Venues renewals

The current renewal requirements are substantial and cannot be fully funded if the Council is to operate within the limits identified in the Financial Strategy. Funding Wellington Venues asset renewals at 75% of unconstrained budget is possible because of improved asset management planning data and information.

Social Housing Upgrade Programme

Existing social housing assets are currently being upgraded through a partnership programme with the Crown. Providing access for all New Zealanders to affordable, sustainable, good quality housing appropriate to their needs is the vision of the New Zealand Housing strategy that drove the need to upgrade the council's social housing. In 2007 the Council reached an agreement with the Crown to develop an upgrade programme where the Crown offered $220m to contribute to the upgrade of the portfolio to ensure the Council's social housing portfolio is safe and secure, and to a good standard for modern living. The first phase of the programme (HUP1) was completed in 2018 which saw upgrade of approximately half of the portfolio upgraded and full expenditure of the Crown grant. Planning for the second phase of the programme is underway.

Planning and delivery is currently underway. There are two active projects underway in HUP2. Aside from that working toward completing a programme business case in 2024 detailing several programme options for consideration / decision making.

Housing Renewals programme

The aging condition of existing social housing assets requires ongoing attention. But financial affordability does put significant constraint onto the programme.

Issues	Options	Decision Date	Delivery Timing	Costs	Risks and Implications
Administration buildings (CAB & MOB)	Demolish (Adopted - note, decision to demolish CAB has already been approved)	2023	2024-2027	$7.8m	Not being able to partner with private sector and being left with a vacant site.
Administration buildings (CAB & MOB)	Partner with private sector to remediate or redevelop – this option is contingent on demolish option above (Adopted)	2024	Unknown	Unknown	We do not have control of the timing
Administration buildings (CAB & MOB)	Sell as is and leave to market to remediate	2024	Unknown	Unknown	We do not have control of the timing
Administration buildings (CAB & MOB)	Do Nothing	2024	Unknown	Unknown	Reputation risks and safety risks as two large buildings will sit idle and vacant on a key location. Risks to economic and social wellbeing of the civic precinct and the wider area Risks to Wellington Town Hall project as it relies on MOB site to address some of the “front of house” issues.
Remediation options for Te Ngākau the City to Sea Bridge, Civic Square basement, and Capital E	Demolish (Final decisions will inform 2027 LTP)	2027	2027-2030	$65m	

Remediation options for Te Ngākau the City to Sea Bridge, Civic Square basement, and Capital E	Strengthen	2024	2024-2027	$240m	High level of investment in assets that are exposed to climate change risk.
Remediation options for Te Ngākau the City to Sea Bridge, Civic Square basement, and Capital E	Do nothing	2024	NA	Unknown	The risks of doing nothing regarding the earthquake prone structures of Te Ngākau: - Risk to the public safety in case of a major earthquake - Reputational risks as we pressure private owners to remediate their buildings. - Fines by the regulators if we do not meet our regulatory requirements.
Addressing seismic issues, carbon emissions reduction and ensuring civic buildings and performance venues are fit for purpose	Investigate the full portfolio of civic buildings and venues deemed earthquake prone to make a strategic portfolio decision for the remaining buildings' future, these considerations include demolition, divestment, and remediation. (Adopted)	2027	Feasibility / Investigation 2024-2027	Opex $20m Capex to be identified and decisions taken for 2027 LTP.	Loss of venues (either temporarily or permanently) will impact the operations of CCO's. Heritage status of some buildings may constrain perceived opportunities / necessitate prioritisation of investment / delivery in consideration of regulatory requirements.
Addressing seismic issues, carbon emissions reduction and ensuring civic buildings and performance venues are fit for purpose	Do Nothing	2027	NA	Unknown	Unknown
Sky Stadium health and Safety	Basic health and safety improvements to the stadium	2024	2024 -2027	$8.9m	Need to ensure alignment with GWRC funding programme. There is a legislative requirement for us to undertake this work to ensure that the stadium remains safe for public use
Sky Stadium health and Safety	Replacement of the stadium	2044	2049	$1b (unfunded)	Decisions will need to be taken as the stadium reaches end of life.
Civic buildings renewals	Fully fund renewals	2024	2024-34 2034-44 2044-54	$44.5m $52.4m $61.8m	This is not affordable and does not make sense when the future of some buildings is uncertain.

Civic buildings renewals	Constrain renewals to 75% of the optimum renewal plan. (Adopted)	2024	2024-34 2034-44 2044-54	$33.4m $39.3m $46.4m	Deferring 25% of renewals does carry some risk. This will be managed through prioritisation and ensuring the buildings are compliant and safe for use. This may result in an increased in maintenance in outer years. Emergency procurement would also cost more. Potential redevelopment of MOB & CAB will mean renewals not required. Library and Town Hall will not require renewals as they are being redeveloped currently. City gallery is the key asset requiring renewal.
Basin reserve renewals	Fully fund renewals	2024	2024-34 2034-44 2044-54	$7.7m $11.7m $10m	
Basin reserve renewals	For affordability, fund renewals at 75% of unconstrained forecast (adopted)	2024	2024-34 2034-44 2044-54	$5.8m $8.8m $7.5m	Deferring 25% of renewals does carry some risk. This will be managed through prioritising safety and compliance. Renewals will be prioritised together with the Basin Reserve Trust. We will support them to manage. The most important focus is the turf and irrigation.
Wellington Venues renewals	Fully fund renewals	2024	2024-34 2034-44 2044-54	$31.4m $64.5m $68.8m	This is not affordable and does not make sense when the future of some buildings is uncertain.
Wellington Venues renewals	For affordability, fund renewals at 75% of unconstrained forecast for the first 10 years and focus on only buildings that have a certain future. Backlog will be addressed in years 11 to 20. (Adopted)	2024	2024-34 2034-44 2044-54	$23.6m $48.4m $51.6m	Deferring 25% of renewals does carry some risk. This will be managed through prioritising safety and compliance for public use, with detailed options analysis for the future scenarios to further inform renewals decisions from year 2. Opera House and Michael Fowler Centre require intervention in the coming years, and we are currently working through the options. Bare minimum renewals will be applied to keep these facilities functioning.
Social Housing Upgrade Programme	The principal option for this issue is to make best use of existing by improving the quality of living standards and undertaking seismic improvements. A business case is underway, this will identify options for investment. (Adopted)	2024	2024-2036.	$400m	This option meets the requirements of the Crown deed. Key risks for delivering the programme in accordance with the Deed requirements are: Seismic performance - one of the requirements of the Deed is to deliver building to 67%NBS. Approximately 50% of the portfolio has had assessments complete. The remaining 50% are scheduled to be complete next year (scope risk). Re-housing of Te Toi Mahana tenants, whilst upgrades are complete. This is a key constraint to the delivery of the programme, therefore the expediency to which the programme can be delivered, therefore cost.
Housing Renewals programme	Fund renewals at 75% of		2024-34	$139m	Deferring 25% of renewals does carry some risk. This will be managed

	unconstrained forecast for first 10 years to manage affordability in the short term. Increase the funding in years 11-20 to address the gap. (Adopted)	2034-44 2044-54	$313m $205m	through prioritising where the greatest need is, such as accessibility and safety. It may create more vacancies, due to property condition. WCC will incur a fee, where we have to pay the rental cost to Te Toi Māhana.

NOTE: Dollar amounts are indicative for out years and will be refined as more information is available and the implementation period draws closer.

Buildings Activity Opex and Capex forecast

Year	Capital Expenditure
2025/26~~2024/25~~	137,494,459 ~~124,352,362~~
2026/27~~2025/26~~	94,133,283 ~~149,658,538~~
2027/28~~2026/27~~	101,039,344 ~~96,888,241~~
2028/29~~2027/28~~	98,730,000 ~~109,834,173~~
2029/30~~2028/29~~	92,162,249 ~~101,930,188~~
2030/31~~2029/30~~	80,007,491 ~~95,423,221~~
2031/32~~2030/31~~	77,786,769 ~~83,330,421~~
2032/33~~2031/32~~	46,408,421 ~~63,887,360~~
2033/34~~2032/33~~	35,973,569 ~~40,589,235~~
2034/35~~2033/34~~	56,926,058 ~~34,941,278~~
2036-2040~~2034-2039~~	288,877,138 ~~262,048,617~~
2041-2045~~2039-2044~~	343,110,030 ~~370,735,631~~
2046-2050~~2044-2049~~	241,861,944 ~~257,763,760~~
2051-2055~~2049-2054~~	229,235,931 ~~303,500,115~~
Total~~Total~~	**1,923,746,686 ~~2,094,883,141~~**

Figures are inflation adjusted

Parks & Open Spaces

Strategic direction

Pōneke is abundant with varied and rich parks and open spaces that help support Wellingtonians to enjoy a high quality of life. Wellington provides a level of service for Parks and Open Spaces that currently receives strong public satisfaction. Our Waterfront is world class and, in some areas, like our biodiversity, the city is making significant gains and is recognised as the only major city in the world where biodiversity is improving. We base a lot of our marketing and publicity around our Waterfront and biodiversity gains.

Te Whai Oranga Pōneke (Open Space and Recreation Strategy) adopted in 2023 has a mission to have "*A flourishing network of parks and recreation opportunities, interwoven into everyday life, which supports Wellingtonians to live well and connect to nature and each other*". Open spaces are predominantly unbuilt land that provide opportunities for active and passive recreation and support ecosystems to thrive. This includes parks and reserves, nature spaces, urban public spaces, streetscapes, coastal areas, cemeteries and urupā. They contain much of our natural environment such as waterways, forests, shorelines, and native biodiversity. Some are also equipped with recreation facilities such as playgrounds and sports fields. As the city intensifies, the importance of public open space increases. These spaces can also provide opportunities for climate resilience and adaptation.

The Wellington Central City Green Network Plan (2022) sets the direction and targets for how we green Wellington's central city over the next 30 years. With a vision of *"thinking and living green in Wellington Central City, is the future for the planet and all of us*", the plan proposes a well-developed continuum of green spaces, to deliver the many ecological, social, economic, cultural and public health benefits to the central city as it grows, enhancing its liveability for residents, workers and visitors.

Asset overview

Our assets are valued (Optimised Replacement Value) at approximately $404.3 million as at 30 June 2023 and include:

- 4305 ha of parks, reserves, and beaches
- 41.25ha of green space in the central city
- 211 nature parks
- 100km of coastline
- Wellington Town Belt and Outer Green Belt
- 387km of walking and biking tracks
- 42 coastal structures including boat ramps, wharves, and seawalls
- Waterfront public space
- Botanical Gardens and Berhampore Nursery
- 4 cemeteries: Tawa and Bolton Street (closed cemeteries), and Karori and Mākara (operational cemeteries)
- 2,000 trees in the central city (in the public realm)

Asset condition and lifecycle

The majority of these assets are in average or better condition. Data confidence overall for this group of assets is "B – High". All building assets condition have been assessed during 2023. Non-building assets are also assessed at regular intervals by WCC staff, as well as more detailed assessments undertaken by external partners for complex or critical assets.

Asset data pertaining to the Parks and Open Spaces portfolio is primarily maintained within WCC's Asset Management Information Systems. Building asset information is maintained within SPM, whilst plant and equipment is captured and maintained within TechnologyOne, WCC's ERP system – as well as being captured spatially.

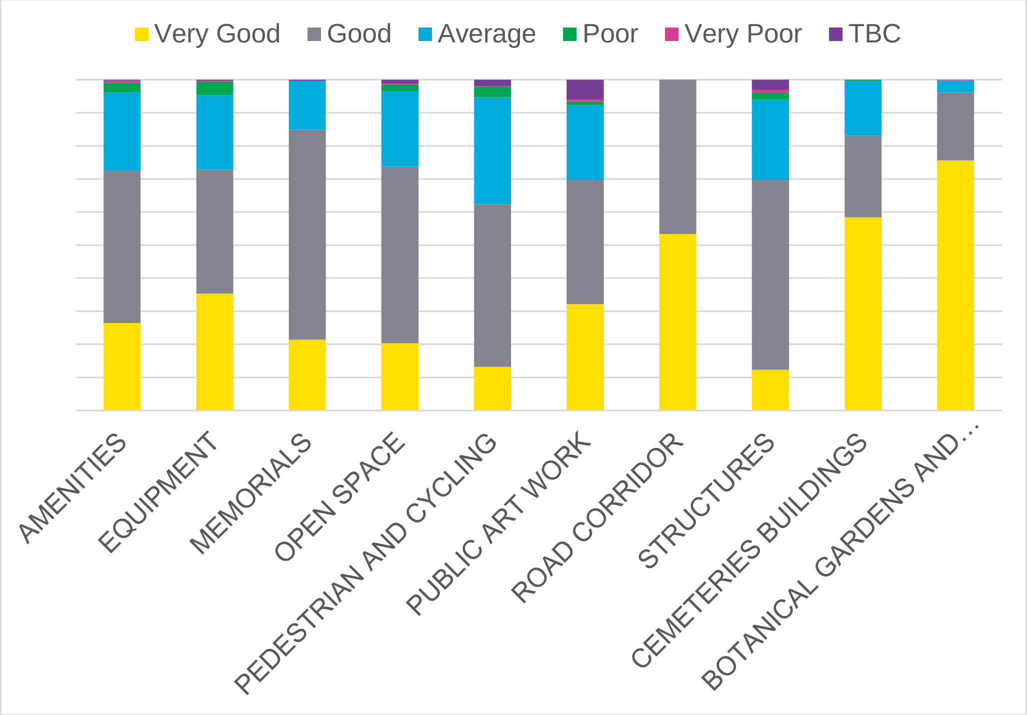

Figure 15: Parks and Open Spaces Asset Condition

Note: This is a listing of ALL Parks, Sport and Recreation assets, except for buildings, aggregated up. (Plus, cemetery and botanical gardens buildings). A few exclusions have been made, being "parking network" "Stormwater" and "Systems (lighting water and solar systems)".

How we forecast Asset renewals

Renewals of assets within this group of activities are driven from data and is determined by criticality and level of service required, as well as condition, performance and age. Additional factors such as climate change and seismic resilience are factored into decision making alongside the data driven insights. Detailed lifecycle forecasts are captured and provided in the financial section of the Activity Management plan and summarised in the financial section of this document.

Asset Lifecycle

Component based lifecycle analysis has been undertaken for all portfolios within this activity grouping, with multiple scenarios of renewal investment modelled and compared to an unconstrained expenditure profile to determine associated risk of deferred renewals.
The adopted scenario is based upon funding 75% of predicted renewals in years 2024 to 2033, with any deferred renewals over this period to be funded and spread across years 2034-2043. The level of risk associated with deferral of these renewals is reasonably low, with the majority of assets still remaining within an average to very good condition rating across the deferral period.

Reducing funding renewals to 75% could potentially jeopardise service delivery and asset utilisation, leading to increased reactive maintenance needs and affecting tenants or leaseholders, possibly resulting in revenue loss. Moreover, this reduction will limit the number of renewals completed annually, with prioritisation based on condition and risk level. Additionally, there are ongoing risks associated with climate change impacts and rising service delivery costs, which could result in diminishing returns over time. This reduction may also lead to community dissatisfaction due to fewer planned improvements to facilities and services compared to community expectations expressed in recent engagements. There is a risk of gradual asset degradation over time. However, it's important to acknowledge that in some cases, the 75% funding level has resulted in increased investment in renewals, particularly in areas such as parks and open spaces.

Level of service and performance

The council manages a wide range of assets that provide high quality public spaces and nature-based services and experiences to Wellingtonians. Utilisation and community satisfaction with these services is generally high. The current network of assets is aging, but still performing well. However, community expectations for quality parks and open space network are very high and often the level of service sought is higher than what can be provided.

Te Whai Oranga Pōneke (the Open Space and Recreation Strategy) and the Green Network Plan, together provide a framework to guide provision and investment decisions in the city’s parks and open spaces network.

Renewals are programmed across these assets, but in time, with a growing population and climate change, additional demand will be placed on the infrastructure and the assets and facilities will need to be upgraded.

Parks and open space assets, especially coastal assets, will require more investment as the climate changes, storm events increase, and as sea levels continue to rise. During the period 2024-2027, detailed climate adaptation planning will be conducted for key parts of the city, and this will help inform investment choices for the 2027 LTP.

Council’s role

The Council has a key role in providing, developing, and managing parks and public open spaces across the city to meet the needs of our community and to protect our natural environment, cultural and historic heritage values. Council manages a variety of parks and open spaces from highly developed urban parks to relatively unstructured natural areas. Our open spaces also include the track network that connects them. These spaces, places and connections contribute significantly towards social, economic, environmental, and cultural wellbeing. They are also important to our physical, mental, social, emotional, and spiritual wellness. These areas are also a critical component of the city’s green infrastructure, with opportunities to implement nature-based solutions to flooding and sea level rise challenges.

Our cemeteries also form part of the city’s open space network, providing important social, cultural, historic and environmental values. However, they also provide a critical public health and safety role. Cemetery services support the health and safety of the city’s communities. Our burial and cremation services reduce public health and environmental risks and ensure the Council meets its legislative and policy obligations. The Council also has statutory responsibilities to provide for burials and currently operates two cemeteries (Karori and Mākara) for this purpose.

Key challenges

This activity group is affected by four of the identified key challenges.

- **Population growth and changing demand –** The spatial and district plans set out a significant level of projected growth and housing intensification that will create more demand for parks and open spaces in the central city and suburbs. The provision of quality parks and open spaces is a key part of a liveable, healthy and resilient city. Changing demographics and changing recreation trends mean our open spaces and places will also need to be more accessible, inclusive, and multi-functional to cater for a broader range of users and uses. As a city we have invested in making significant gains in our indigenous biodiversity, much of this work has been undertaken in partnership with the community. It will be important to resource existing and future programmes to sustain the biodiversity gains and investment already made.

- **Aging and declining condition of infrastructure –** Many of our parks and open spaces are aging and require investment to maintain or renew the assets. Examples of assets requiring investment in the short to medium term include central city and neighbourhood parks and open spaces, Mākara cemetery, the Begonia House in the Botanic Gardens, coastal boat ramps, wharves and seawalls, parts of the track network, waterfront public spaces and structures.
- **Mitigation and adaptation to climate change –** Climate change is leading to an increase in extreme weather events – meaning more extreme storm and rainfall events, landslips, tree failure, erosion, drought and flooding – which impacts our parks and open space assets and drives maintenance needs and costs up. Warmer, wetter weather is also increasing the need for more pest and weed control and an increased risk in biosecurity incursions. Parks and green spaces can be part of the nature-based solutions to managing floods, coastal inundation, stormwater and to increasing our city's biodiversity. The 2023 Climate Risk Assessment found 26 key strategic risks affecting Council assets. Coastal inundation causing asset damage emerged as the most material physical risk for the Council, with a total rating score double that of the next highest aggregated risk score. Assets identified as being most at risk to coastal inundation from sea level rise include water, drainage and waste assets, Council buildings, parks and reserves, and road assets.
- **Affordability and deliverability –** The cost of maintaining and renewing our parks and opens spaces is getting increasingly expensive due inflationary pressures such as the costs of materials and labour (and responding to the impacts of climate change). This makes it harder and harder to close the gaps in levels of service.

Principal options

This activity and related solutions primarily contribute to the priority *"Invest in sustainable, connected and accessible community and recreation facilities." There is also a strong contribution to "improve the health of our waterways"* and *"mitigate and adapt to climate change*." We will also take every opportunity to apply each of the strategic approaches.

The following shows how we have used the strategic priorities and applied the overarching principal options to identify specific options to address the key issues for this activity group.

- **Prioritising growth areas –** We have undertaken investigation into parks and open space requirements across the city in response to anticipated population growth and changing demands. Te Whai Oranga Pōneke (the Open Space and Recreation Strategy) identifies the importance of well-distributed, multifunctional, and connected spaces, places and programmes that respond to Wellington's current and future needs. We will prioritise investment as per the prioritised growth areas identified in the Spatial Plan and the District Plan. The Green Network Plan sets out four targets for the Central City over the next 10 years to complement growth, especially of residential units, in the Central City.
- **Grow our understanding of adaptation impacts and costs** –Increased use of water sensitive design and green infrastructure in urban parks, public spaces, and streets can help the city adapt and mitigate the impacts we are likely to see in the future, as climate change leads to more intense/ extreme events. Climate change adaptation planning will help inform future investment decisions, particularly for assets in coastal locations and identify the ways that nature-based solutions can provide multiple benefits to the city, including adapting to unavoidable climate change impacts.
- **Strategic rationalisation to better manage the overall asset portfolios –** This mainly applies to our tracks. We have consistently underfunded the upkeep of tracks. It does not make sense to build new assets when we do not have the funding available to maintain what we currently have. We also need to ensure that the choices we make will

contribute to our community outcomes. Te Whai Oranga Pōneke (the Open Space and Recreation Strategy) identifies gaps in service provision and the needs of the community and will guide us in delivering on this priority.

- **Prioritising interventions and the work programme for affordability –**This activity will contribute to managing overall rates and borrowing affordability by planning for a renewals programme funded at 75% of projected requirement. Assets with the worst condition levels will be prioritised for investment.

Issues and options

Acquisition of land for neighbourhood parks, open space and recreation to respond to growth and change

Analysis of the suburban open space network shows that Wellington City underinvests in parks and reserves generally (compared to the region and other large cities around New Zealand) and the quality and provision of neighbourhood parks needs targeted investment to respond to an anticipated period of significant citywide redevelopment and growth (50,000-80,000 more people over the next 30 years). The success of higher density development is contingent on a range of factors and our community expects that access to quality parks will be part of the core infrastructure investment occurring alongside city growth and change over the long term.

Development of neighbourhood parks and open spaces to respond to growth and change, and gaps in provision

Development of new and the upgrade of existing neighbourhood parks and open spaces to support a network of well-utilised, accessible, fit-for-purpose parks and recreation opportunities that meet the needs of Wellington’s growing and changing communities and respond to a changing climate. Key barriers to using open spaces include absence of toilets, hard to travel to, feeling unsafe, not accessible, or not feeling welcome. Our existing open space network needs to be complemented by a network of quality, easy to access parks that people can use daily.

Implementation of the Central City Green Network Plan

The Green Network Plan sets the direction and targets for the greening of Wellington’s central city in the next 30 years to take action on the current deficit, provide for growth and to address the climate and ecological emergency declared in 2019.

The Green Network Plan has set a target of developing 2 new urban parks, improving the greening of 20 existing urban spaces, and no net loss and doubling the number of street trees (to 4000) in the central city in the next 10 years.

Kilbirnie Park

The 2022-23 Annual Plan approved $5.64m for a destination skate park and the 2021-31 LTP identifies an additional $1.5m from the Plimmer Bequest Fund for open space improvements and $500k for play space renewal.

Investigation and planning work has been completed over last 18 months. There has been extensive public and stakeholder engagement with a high level of community and stakeholder support for the project.

Subject to LTP funding confirmation and business case approval, design and consenting to be progressed in 2024/25, with construction mid-late 2025 into 2026.

Investment in our track network

There is increasing community demand and expectations for trails investment, including improving the quality, accessibility and resilience of the existing trail network, as well as the development of new trails. We are currently underfunding our trail renewals. We also have approved plans for new trail development, but these are currently unfunded.

There is a big volunteer contribution to building and maintaining tracks.

Ever increasing community demand for more walking and biking trails, increased accessibility, and off-road commuter trails. The quantum of investment required to address community demand is currently unknown.

Begonia House

The Council proposes to demolition Begonia House, as it has ~~A~~aging facilities, requires ongoing renewals and asset failures will be costly. This includes the need to replace glazing and structures, climate control systems, improved café kitchen and back of house facilities, upgrading toilets and hireable spaces.

Renewals of Parks and Open Spaces

Buildings across the portfolio have a recent condition assessment. The current renewal requirements are substantial and cannot be fully funded if the Council is to operate within the limits identified in the Financial Strategy.

- Cemetery
- Open spaces
- Outdoor sports facilities
- Play spaces

Issues	Options	Decision Date	Delivery Timing	Costs	Risks and Implications
Acquisition of land for neighbourhood parks, open space and recreation to respond to growth and change	Acquire land for parks, open space and recreation needs to respond to growth and intensification and address neighbourhood park provision gaps.	2024	Annual budget	$215m over 30 years (Approx $7-8m annually)	Difficult to acquire land, especially in a competitive open market. Most land acquisition for parks and reserves is currently debt funded at the time of purchase. This investment would provide a specific budget for reserve land acquisition. Capacity to deliver is a risk –would need to scale up to manage and deliver Require resourcing for planning work to develop an acquisition programme.
Acquisition of land for neighbourhood parks, open space and recreation to respond to growth and change	Delay acquisition of land to later years and prioritise high growth areas. (Adopted)	2024	2030 - 2034	$21.5m	Delaying, but planning to invest in the mid-term is the best option in the current funding environment. Risks: Difficult to respond to land acquisition opportunities as and when they come up. Any acquisition ahead of this time frame would require debt funding.

					Cost of land likely to increase over time. Decreasing levels of service and increasing community dissatisfaction if there is inadequate investment.
Development of neighbourhood parks and open spaces to respond to growth and change, and gaps in provision	Fill service level gaps and address growth and change	2024	Annual budget	$34m over 30 years	Capacity to deliver –would need to scale up to manage and deliver an open space development programme. Requires resource for planning, investigation and design work. The development of new parks and open spaces will be contingent on the acquisition of land.
Development of neighbourhood parks and open spaces to respond to growth and change, and gaps in provision	Delay filling gaps in provision to later years and prioritise high growth areas (Adopted)	2024	2030 to 2034	$13m capex $3.8m opex	Delaying, but planning to invest in the mid-term is the best option in this funding environment. Decreasing levels of service and increasing community dissatisfaction if inadequate investment. The development of new parks and open spaces will be contingent on acquisition of land.
Implementation of the Central City Green Network Plan	Improve existing central city green spaces and parks and develop 2 new green spaces to provide for projected residential population growth – includes land acquisition. Frederick Street park is expected to be delivered 25/26	2024	2024 to 2034	Capex $18.9M Opex $1.8M (for 1000 street trees in years 1-3).	There is a deficit of green space in the central city for current users and residents. Greater numbers of people living and visiting the central city will increase demand for quality green public spaces within the built environment. Ensure the city continues to build on its liveability, sustainability and 'eco-credentials'.
Suburban Centres Upgrade Programme	Prioritisation of the implementation of the Suburban Centres upgrades	2024	2024 to 2034	$10m over 10 years (for upgrades)	

Public spaces and centres development	programme – one town or suburban centre every two years. (Adopted)			$2.5m opex over 10 years	
Suburban Centres Upgrade Programme Public spaces and centres development	Defer suburban upgrades programme 5 years	2024	2030-2040	$10m over 10 years (for upgrades) $2.5m opex	
Park upgrade projects Kilbirnie Park	Development of destination skate park, refreshed play space and open space improvements (planting, landscaping, public access)	2022	2024/25 Master plan developed 2023 Design and consenting 2023/24 to 2024/25. Construction estimated to begin mid-late 2025	$5.45M for destination skate park $1.5m open space (Plimmer Bequest) $0.5m play space renewal	Kilbirnie Park is a significant community asset and requires investment to address safety, accessibility and amenity issues alongside provision for skate and play.
Park upgrade projects Kilbirnie Park	Rephase development of destination skate park, refreshed play space and open space improvements (planting, landscaping, public access) (Adopted)	2024	2024/25-2025-26	$5.45M for destination skate park $1.5m open space (Plimmer Bequest) $0.5m play space renewal	Kilbirnie Park is a significant community asset and requires investment to address safety, accessibility and amenity issues alongside provision for skate and play.
Grenada North Park	Develop Grenada North Park as a multi-function community sports and active recreation hub to respond to growth and sports field demand.	2021-31 LTP	2024 to 2028 Planning & investigation 2023/24 – 2024/25 Delivery commence 2025/26	$14 million (capex)	Grenada North and surrounding suburbs are growing, and investment is needed to provide appropriate sports and recreation facilities. The existing Grenada North Park sports fields are not fit-for-purpose with significant drainage issues throughout winter. Extensive earthworks and drainage upgrades are required to make the park a year-round playing venue. Installation of artificial turf would greatly enhance utilisation of the fields.
Te Aro Park	Redevelop Te Aro Park and adjacent section of Dixon Street to improve function as a	2024	2022-2026 Co-design and concept	$3.1M (funding in LTP for partial upgrade)	There is currently $3.1m CAPEX allocated to this project, not enough to

	central city park and give effect to mana whenua aspirations		development 2022-2024. Delivery 2025-2026.	$11m (expected cost for full redevelopment)	implement a full redevelopment. The project and draft concept plan have been co-designed and have support from mana whenua. Current issues with Te Aro Park include H&S issue of slippery tiles, no remaining replacement ceramic tiles, water features and lighting not functioning properly and requiring a lot of maintenance.
Improvements to Waterfront public safety A programme of work is underway to address concerns about public safety on the waterfront. A key focus is on improving lighting and edge protection.	Invest in safety features along the waterfront	2024	2024-2028	$20.9m	Additional capital pressure for waterfront edge protection and seawalls.
Rock rip-rap on the waterfront Resilience challenges impacting the Waterfront, including sea level rise and more frequent extreme weather, are damaging aging seawall and rock riprap structures, and increasing maintenance costs. We can reduce the risk by investing in the renewal of seawall structures to avoid further asset degradation.	Invest in seawall renewal	2024	2024-2034	$4.4m	Aging assets with deferred maintenance particularly within a challenging coastal environment.
Investment in our track network	Increase investment in the maintenance and renewal of our existing trail network (Adopted)	2024	Annual budget	$473K per annum for renewals and $220K per annum opex	There is a risk that trail condition will further degrade as the cost of delivering renewals does not align with the budget.
Investment in our track network	Invest in the development of new trails to respond to	2024	2027/28	$900K – develop new trails in Lincolnshire development area (this is the only	There is a risk that due to the historic increase in trail length, without a correlated increase

	community demand			budget allocation at present for new trail development)	in operational budget, there will be a decrease in operational level of service. This risk has already become an issue. Climate change and increased storm events are adding to track maintenance challenges and costs.
Cemetery capacity reaching its limits Karori Cemetery has effectively reached its capacity. Mākara Cemetery will be reaching its capacity for various types of interment from 2038 and some denominational areas will reach capacity much sooner. We need to acquire land and develop it for cemetery purposes. Last LTP the Council approved the expansion of the cemetery.	Acquire land and develop for cemetery purposes	2021	2024 - 2028	$1.54m land acquisition $5.416m cemetery development	Council has statutory obligations to provide for burials. Burial and cremation services reduce public health and environmental risks. There is an urgent need to provide more cemetery land capacity in order to adequately cater for future burial and ash interment needs. The planned expansion of Mākara cemetery will provide capacity for burials for a further 40 years (approx.).
Begonia House	Demolish Begonia House	2024	2024-2025	$3m	Do nothing option results in a health and safety hazard, so Begonia House would have to be closed. Therefore, the demolish option is the base option. It results in a reduced level of service for the visitor experience and heritage value, as well as loss of jobs and revenue.
Begonia House	Renew all end-of-life aspects (Do minimum) (Adopted – for urgent maintenance and renewals)	2024	2024-2028	$11m	Do minimum results in maintaining facilities and meeting legislative requirements with temporary buildings for staff facilities and maintains current levels of service which do not meet

					inclusion and accessibility requirements and are less efficient to operate.
Begonia House	Basic upgrade Begonia House	2024	2024-2028	$17.5m	Buildings are demolished and replaced, new staff facilities and improved HVAC, greenhouse, events area, café and kitchen. Double glazing. Climate control is economically and environmentally efficient. Addresses safety and structure integrity. Increases potential for year-round usage. Does not address accessibility and inclusion.
Begonia House	Full upgrade (preferred)	2024	2024-2034	$20m	Site-wide renewals and upgrades and in addition to the basic upgrade, includes changing places facility and additional seating. Reduced operational costs, lower maintenance, and increase revenue potential.
Frank Kitts Park Frank Kitts Park is partly built over a car park that is currently vacated due to resilience issues. In September 2021 Council made the decision to demolish the earthquake prone car park and develop as a key destination park in the city's open space network.	Investment to support the delivery of a destination park	2024	Consenting 2024-2027 Construction 2027-2031	$3m $40.8m	There is a risk that investment in the Frank Kitts Park will be insufficient to deliver a destination park which meets community expectations.
Renewals of Parks and Open Spaces	Funding parks and open spaces asset renewals at 75% of unconstrained budget and closing any gaps in the outer years. (Adopted)	2024	2024-2034 2034-2044 2044-2054	$105.3m $149.7m $140.7m	Deferring 25% of renewals does carry some risk. This will be managed through prioritising safety and compliance for built assets. Open spaces will follow a similar approach. Overall condition will begin to decline. Building

					data is up to date. Open space data is continuously reviewed.
Renewals of Parks and Open Spaces	Fully fund renewals	2024	2024-2034	$144.6m	
			2034-2044	$199.6	
			2044-2054	$187.6	

NOTE: Dollar amounts are indicative for out years and will be refined as more information is available and the implementation period draws closer.

Parks & Open Spaces Activity Opex and Capex forecast

Year	Operating Expenditure	Capital Expenditure
2025/26~~2024/25~~	60,749,222 ~~57,535,508~~	29,473,417 ~~15,966,685~~
2026/27~~2025/26~~	65,818,773 ~~60,220,246~~	21,646,716 ~~24,977,194~~
2027/28~~2026/27~~	65,344,292 ~~62,510,612~~	21,635,842 ~~19,941,761~~
2028/29~~2027/28~~	67,000,622 ~~63,948,876~~	22,162,744 ~~23,272,034~~
2029/30~~2028/29~~	71,326,452 ~~65,096,095~~	21,480,302 ~~47,440,207~~
2030/31~~2029/30~~	74,586,629 ~~68,555,522~~	20,486,098 ~~32,439,584~~
2031/32~~2030/31~~	77,833,961 ~~72,252,731~~	29,738,870 ~~20,391,779~~
2032/33~~2031/32~~	79,857,681 ~~75,762,060~~	25,146,914 ~~29,766,336~~
2033/34~~2032/33~~	81,936,849 ~~77,866,369~~	24,676,232 ~~24,963,847~~
2034/35~~2033/34~~	79,722,104 ~~80,954,254~~	25,687,724 ~~24,451,899~~
2036-2040~~2034-2039~~	452,420,907 ~~425,780,997~~	155,169,904 ~~154,473,290~~
2041-2045~~2039-2044~~	487,559,694 ~~498,040,151~~	138,368,266 ~~99,620,299~~
2046-2050~~2044-2049~~	529,114,323 ~~575,651,148~~	124,408,744 ~~163,843,411~~
2051-2055~~2049-2054~~	426,093,081 ~~612,495,965~~	66,043,407 ~~82,017,805~~
Total	**2,619,364,587** ~~**2,796,670,534**~~	**726,125,181** ~~**763,566,131**~~

Figures are inflation adjusted

Community and recreation facilities

Strategic direction

Community facilities are a core part of our city's social infrastructure – providing places where people can connect, participate, play, create, perform, be inspired, build wellbeing, and develop a sense of belonging and purpose. We have 277 facilities, including libraries, community centres, recreation centres, pools, community and recreation leases of land and buildings, community spaces in Council housing assets and public toilets.

The Council's Te Awe Māpara | The Community Facilities Plan[16] (refer to Appendix 2 – Summary of community facilities issues for more detail) guides our provision and decision-making about community facilities for the next 30 years. It includes 58 prioritised actions and provides the framework to ensure we have thriving and accessible community facilities – where people connect, have fun, and belong.

In addition to Te Awe Māpara, Te Whai Oranga Pōneke (the Open Space and Recreation Strategy) provides an overarching framework and strategic direction for Council to manage public open space, recreation facilities and recreation programmes and services over the next 30 years. The strategy includes the provision of pools and recreation centres in Pōneke.

Together, Te Whai Oranga Pōneke and the Community Facilites Plan provide guidance for how future investment decisions will be made to ensure our facilities and assets continue to support quality service provision to our communities into the future.

Asset overview

Our assets are valued (Optimised Replacement Value) at approximately $852.2 million as at 30 June 2023 and include but are not limited to:

- 44 natural and 11 artificial sports turf's
- 108 playgrounds
- Berhampore Golf Course
- croquet facilities, tennis, netball, and basketball half courts
- 7 Skate parks
- Clyde Quay Boat Harbour and Evans Bay Marina

The Council's community facility portfolio is based on a current value of $420 million. There are a total of 277 facilities in 282 buildings (some facilities are based in multiple buildings) including:

- 7 swimming pools (including two outdoor pools)
- 12 libraries
- 5 recreation centres, including Ākau Tangi
- 25 community centres
- 131 lease facilities across approximately 177,000 sqm of lease space (including land)
- 1 marae
- 13 community spaces in Council housing assets
- 83 public toilets.

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[16] https://www.letstalk.wellington.govt.nz/wellingtons-community-facilities

Asset condition and lifecycle

Data confidence overall for this group of assets is "A – Very High". All buildings in this grouping have been assessed through a comprehensive condition assessment survey undertaken in 2023. Additional to the below graphed groupings are non-building assets including playground and sports fields, playgrounds, skate parks and plant and equipment at specialised sites such as pools. The data confidence for these are also "A – Very High". WCC undertake regular condition assessments and inspections of these assets, with the majority of these being assessed within the last 3 years. Systemised capture of complex plant and equipment is an improvement plan item identified to occur over the LTP period.

The condition of assets within the built portfolio is primarily within the average to very good range, with less than 5% of assets being rated as poor to very poor. Built assets within the Marina are good to very good, however 25% of assets within this grouping are average or worse.

The condition of both building and non-building assets within the grouping are detailed fully within their respective AMP's.

Asset data pertaining both to the buildings, as well as non-building assets is maintained within WCC's Asset Management Systems. Building data has been aggregated into common groupings based the primary services they deliver across the network. Alongside this asset data, centralised repositories detailing factors such as heritage listings and earthquake prone buildings is maintained and factored into and underpins any lifecycle forecasting and renewal planning decisions. Detailed assessment information is also held on plant and equipment and infrastructure assets within the portfolio – such as wharves and pilings at marinas.

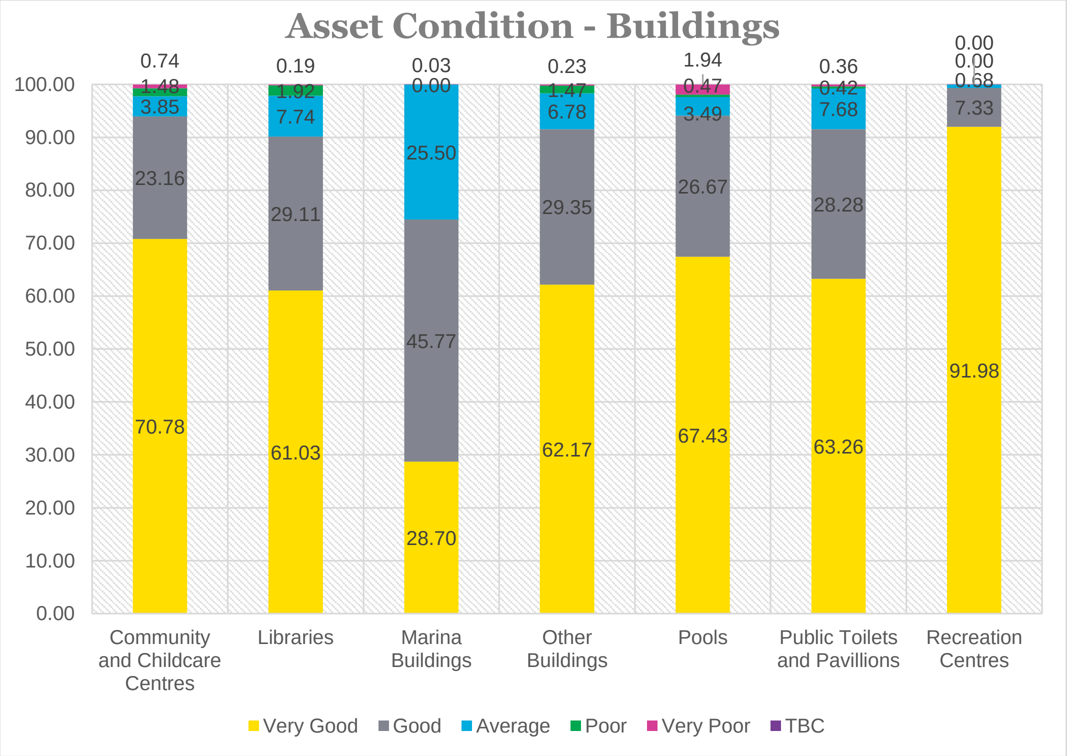


Figure 16: Community and Recreation Facilities Asset Condition

How we forecast Asset renewals

Renewals of assets within this group of activities are driven primarily from data, stemming from robust condition assessments of the portfolio and based upon condition, performance, cost and age. Known issues that are non-data driven are considered and factored into planning decisions, such as seismic resilience and climate change. Detailed lifecycle forecasts are captured and provided in the financial section of the Activity Management plan and summarised in the financial section of this document.

Asset Lifecycle

Component based lifecycle analysis has been undertaken for all portfolios within this activity grouping, with multiple scenarios of renewal investment modelled and compared to an unconstrained expenditure profile to determine associated risk of deferred renewals.
The adopted scenario is based upon funding 75% of predicted renewals in years 2024 to 2033, with any deferred renewals over this period to be funded and spread across years 2034-2043. The level of risk associated with deferral of these renewals is reasonably low, with the majority of assets still remaining within an average to very good condition rating across the deferral period. The below graph is demonstrative of an unconstrained approach to expenditure to the buildings within this portfolio, and associated condition grade index. Additional lifecycle information relating to both building and non-building assets is captured and detailed within the applicable Asset Management Plan.

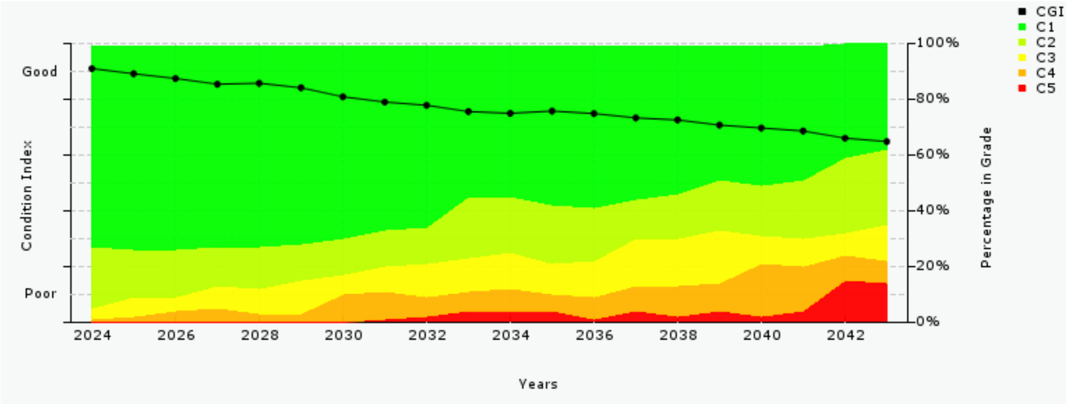


Figure 17: Community and recreation Facilities 20 Year Asset Lifecycle Analysis – Unconstrained Expenditure

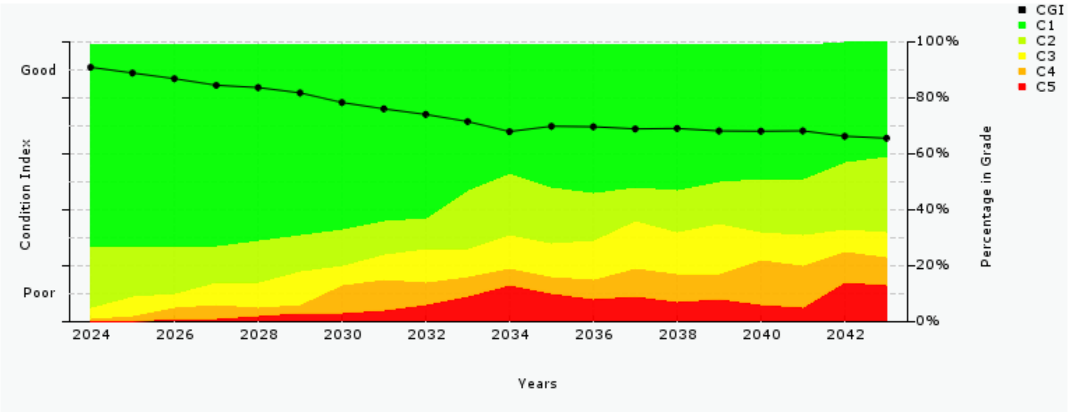


Figure 18: Community and recreation Facilities 20 Year Asset Lifecycle Analysis – 75% Constrained Expenditure

Application of the 75% funding is manageable with minimal risk. We will be keeping Community Facilities renewals to a bare minimum while the investigations as per the Community Facilities Plan take place. The focus will be on safety and compliance.

Level of service and performance

Council provides a very wide range of assets and facilities to support its community and recreation services. The services delivered through our facilities generally have high user satisfaction (libraries 85%, community centres and hall 85%) and high community utilisation. Cleanliness, smell and maintenance of public toilets are the most significant areas of dissatisfaction.

Some of our facilities are however starting to age – the average age of our community facilities is 58 years – and this means that some of the facilities are no longer fit for purpose and/or meet community expectations. We have an over provision in facilities, mainly because of the age and smaller centres The only identified network gaps relate to recreation centre provision and specific aquatic facilities for play and hydrotherapy.

Through our city-wide needs analysis, we found that Wellington has a substantial number of community facilities, but many are small, ageing and not fit-for-purpose. Some facilities are not fully accessible, and many do not reflect te ao Māori. There is an uneven distribution of facilities leading to overlapping catchments, diluting demand, and contributing to low use of some facilities. Besides identified gaps in the provision of indoor recreation and some aquatic services, geographically the city is well covered, but it is the design, size and quality of facilities impacting the ability to meet needs, now and as the city grows. Wellingtonians are calling for better quality and a wider range of offerings, not necessarily more facilities.

A key level of service gap is for all new buildings and existing facilities to meet accessibility codes. We do not yet have data on this.

Council’s role

The Council provides community facilities, programmes, and experiences to encourage participation in recreational, cultural, creative, social, and learning opportunities. The physical spaces – or facilities – are the platform for community development, connection, activities, and services to take place. We know these opportunities and connections contribute significantly to our physical, mental, social, emotional, and spiritual wellness. Wellingtonians are highly engaged and really value community facilities, and there is some concern about closing facilities due to the potential impact on communities.

The Council currently owns a large portfolio of public toilets as they contribute to the maintenance of public health and wellbeing, and the private sector does not always provide public conveniences to the required level and/or quantity. We recognise that clean, well-maintained public toilets that are accessible, safe, and strategically situated are an important amenity that support people to live, work and play in Pōneke.

Key challenges

This activity group is affected by all the identified key challenges.

- **Population growth and changing demand –** Many of our community facilities are small, single purpose or stand-alone, and not fit-for-purpose. Our analysis found there is little collaboration across facilities, even when buildings are situated close to each other. There is also an uneven distribution of facilities contributes to overlapping catchments, spreading demand between some facilities. Together these challenges result in lack of flexibility to cater for changing demand, increased user dissatisfaction and low use of facilities, and high maintenance and operating costs. To accommodate anticipated demand and changing community needs, we need better facilities, not more. Geographically the city is well covered, but it is the design, size, quality and how we deliver our recreation and community facilities of facilities impacting the ability to meet needs, now and as the city grows. The exception to this is identified gaps in the provision of indoor recreation and some aquatic services, particularly pool play spaces, and hydrotherapy facilities.

- **Aging and declining condition of infrastructure –** The average age of our facilities is 58 years, which contributes to deteriorating condition and appeal, and increasing maintenance and operational costs. For older facilities, the design may not be suitable for current needs, and not meet modern standard to be accessible, inclusive, or sustainable. With an ageing network of facilities, there is a lot to do. The Council has many priorities and we do not have the funding to do it all at once. We therefore need to carefully evolve, by being smarter and maximising the benefits of our facilities and investment. Te Awe Māpara highlights our three oldest pools are reaching the end of their useful lives and have issues with accessibility, fit for purpose, earthquake prone and impacts of flooding and sea level rise.
- **Mitigation and adaptation to climate change –** Climate change is placing increased pressures on all our facilities, some facilities have been impacted by extreme weather events, it is likely these will be impacted again and more severely. In responding to climate change, we also need to reduce carbon emissions. Our swimming pools contribute to about 45% of the Council's entire building carbon emissions. We need to ensure our buildings are energy efficient and have a low carbon profile, with a focus on moving away from fossil fuels to electricity. Sea level rise and more frequent severe weather events causing flooding are having impact on some of our community facilities, particularly some of our pools.
- **Earthquake hazards and earthquake prone buildings –** 10% of our community centres, pools, recreation centres and libraries are seismically vulnerable, as well as other community facilities in the network. Some are in locations prone to liquefaction, tsunami, and earthquakes.
- **Affordability and deliverability –** Over the last seven years there has been a 45% increase in operating costs of community facilities, driven by inflation, decreased revenue (over the period of the Covid-19 pandemic), insurance and utility increases significantly above inflation, and increasing maintenance and delivery costs. The cost of maintaining and upgrading our community facilities is continuing to rise due to the number and age of the facilities as well as inflationary pressures such as the costs of materials and labour. We need to apply consistent criteria to determine our priorities and ensure investment delivers the greatest benefits against the outcomes we want to achieve.

Principal options

This activity and related solutions primarily contribute to the priority *"Invest in sustainable, connected and accessible community and recreation facilities."* We will also take every opportunity to apply each of the strategic approaches.

The following shows how we have used the strategic priorities and applied the overarching principal options to identify specific options to address the key issues for this activity group.

- **Prioritising growth areas –** We will prioritise undertaking the investigations into local area needs first to enable better long-term planning. Any infrastructure delivery will be prioritised according to the spatial plan priority areas in conjunction with the prioritisation criteria set out in the Community Facilities Plan.
- **Targeting emissions reductions to the greatest gains and operational efficiency –** Council's Decarbonisation Plan outlines a programme to move away from the use of natural gas and improve the energy efficiency of many of Council's buildings including community facilities. The greatest emissions reduction gains will come from degasification of the pools. This change will also result in operational cost savings as the cost of natural gas continues to significantly increase and is projected to do so in the future.
- **Mitigating climate change and grow our understanding of adaptation impacts and costs –** Some of the Council's pools and marinas are key assets in this activity area affected by the impacts of climate change, including sea level rise. Climate change

adaptation planning will help inform future investment decisions, particularly for assets in coastal locations. Future community leases and renewals will take into account any impact of climate change and adaptation requirements.

- **Strategic rationalisation to better manage the overall asset portfolios –** In addition to the outcomes sought by the Community Facilities Plan and Te Whai Oranga Pōneke, strategic rationalisation will be a key factor for consideration in the investigations of each area's needs.
- **Prioritising interventions and the work programme for affordability –** Community and recreation facilities are expensive to build and maintain. Over the last seven years there has been a 45% increase in operating costs, driven by inflation, decreased revenue (over the period of the Covid-19 pandemic), and increasing maintenance and delivery costs. Managing demand and optimising levels of service will be a key consideration in the investigation and activity management of community facilities and services. We will follow a robust process to work with the community, understand needs, test all options, determine the best response, and prepare a business case to provide clear justification for any investment to change a community facility.

Issues and options

A summary of the detailed list of issues is provided in the appendix.

Issues	Options	Decision Date	Delivery Timing	Costs	Risks and Implications
Addressing ability to meet changing demands, accessibility and inclusion	Undertake investigations as per the Community Facilities Plan	There will be rolling decisions to be made as each investigation is completed		Opex	Note that the costs for physical works are unknown until such time that these 44 investigations have been carried out in partnership with community. Indicative capex costs for any physical works associated with all the 44 delivery and facility investigations could be between $250m through to $530m over 30 years.
			2024-27	$880k	
			2027-30	$585k	
			2030-34	$385k	
			2034-44	$260k	
				Capex	
			2024-27	$400k	
			2027-30	$11 m	
			2030-34	$101.5 m	
			2034-44	$114 m	
			2044-54	$71.5 m	
Central Wellington Pool Provision (Freyberg, Thorndon & Khandallah)	Undertake a detailed needs assessment and feasibility study as per Community Facilities Plan (Adopted)	Work to be completed in first 18 months, to allow decisions on these pools to be made as part of the 2027-37 LTP		Opex	Significant capex will be required. Retention of existing facilities is estimated to be considerably more costly than a new consolidated facility. It is noted there is a lot of community attachment to each of the existing pools.
			2024-26	$120k	
Central Wellington Pool Provision (Freyberg, Thorndon & Khandallah)	Khandallah Pool redevelopment – new pool	2024	2021-31	Capex	The $11.7m cost of the pool is significant for the potential pool size (25m x 7.5m) and it comes with significant site constraints. The cost of $62,400 per square metre of water space is approximately three times more expensive than two recent indoor pool developments (Stratford Aquatic Centre and Hawke's Bay Aquatic Centre). Indoor pools generally have a much higher cost than outdoor pools, due to the cost of
				$11.7m	
			Ongoing	Opex	
				$1.1m p.a.	

					building fabric, protective coatings, vapour barriers and the need for mechanical ventilation. The high build cost, reduced pool size, and other site constraints, including limited parking, are anticipated to result in a low value outcome for the level of investment, with a potential increase in ratepayer subsidy per swim from $25 per swim (in the 2022/23 year) to approximately $60 to $80. In 2022/23 the ratepayer subsidy per swim across all pools averaged $22.
Central Wellington Pool Provision (Freyberg, Thorndon & Khandallah)	Close the pool, landscape the site (preferred)	2024	2021-31 Ongoing	Capex $4.5m Opex $0.34m p.a.	The landscape option would restore the stream channel, improve flooding mitigation, and create a new entranceway into Khandallah Park.
Central Wellington Pool Provision (Freyberg, Thorndon & Khandallah)	Keep Khandallah Pool open for at least 1 year, establish an advisory group, receive engineering review to identify a cheaper fix within $7.5m budget (Adopted)	2024	2024/25	Capex $7.5m Opex $80k	This delays the decision on closure of the Khandallah Pool
High carbon emission profile of swimming pools	Complete degasification of the 4 identified pools (Adopted - funding to be allocated from the Climate Resilience Fund of $14m)	2024	2024-34	Capex $15.5m Opex $8.4m	The project will result in lower costs to run – an average annual operating saving of $1.37m /year. The required energy network upgrade means a project at Freyberg Pool cannot be completed prior to 2028/29. Any building and plant upgrades for Freyberg Pool will be considered as part of Central Wellington swimming pool provision.
High carbon emission profile of swimming pools	Defer (Although the Council would prefer to do degasification, the decision has been taken to do nothing for affordability reasons at this time, to be revisited in future LTPs)	2027	TBC	TBC	There is a likely ETS liability of $344k/year by 2023 increasing to $574k/year by 2050.
Addressing deteriorating condition and appeal of facilities Renewals includes: • Libraries • Community and childcare centre	Fully fund renewals Fund renewals at 75% for 10 years, then increase to 125% in years 10 to 30 (Adopted)	Every 3 years	2024-34 2034-44 2044-54	Capex $60.5m $137.3m $148.6m	Deferring 25% of renewals does carry some risk. This will be managed through prioritising where the greatest need is, to meet the objectives of the Community Facilities Plan. The focus will be on safe and compliance buildings. But we will be keeping renewals to a minimum on buildings that are

Community halls Pools and recreation facilities Public toilets	Reduce levels of service				subject to review before the outcome is identified. However, in the longer term it may result in increased maintenance in outer years. Increases operational risk.
Evans Bay Marina Evans Bay marina has significant performance challenges. Some short-term renewal investment will continue to be needed until future options are decided. The Evans Bay Marina requires a considerable upgrade due to its age, and sea level rise. The operational model for this also needs to be reviewed and a decision about whether we retain this into the long term will need to be made. Decision required 2027.	Pause and reset – undertake a section 17a review to determine long term future in time for the 2027 LTP, including consideration of full upgrade of Marina, demolish and repurpose coastal area.	2027	2027 – 2031	$15m	Requires investment until long term decisions made. Undertake a staged upgrade to spread financial risk. Heightened risks to reputation if Marina is demolished. High ongoing costs to keep marina functional, not allowing for sea-level rise and risk of asset failure.
Wadestown Community Centre Poorly located on a steep hill, with limited visibility, poor accessibility, no car parking, small size and open layout which limits use and flexibility to provide a range of activities. Cost of deferred maintenance est. $660k	Sell the community centre site (Adopted)	2024	2024-2027	Proceeds estimated at $1.38m Opex annual savings $65k	In comparison to other similar community centres, there is low usage at 29.9% of the hour available to hire. Location of the site means it's not feasible to modernise.

NOTE: Dollar amounts are indicative for out years and will be refined as more information is available and the implementation period draws closer.

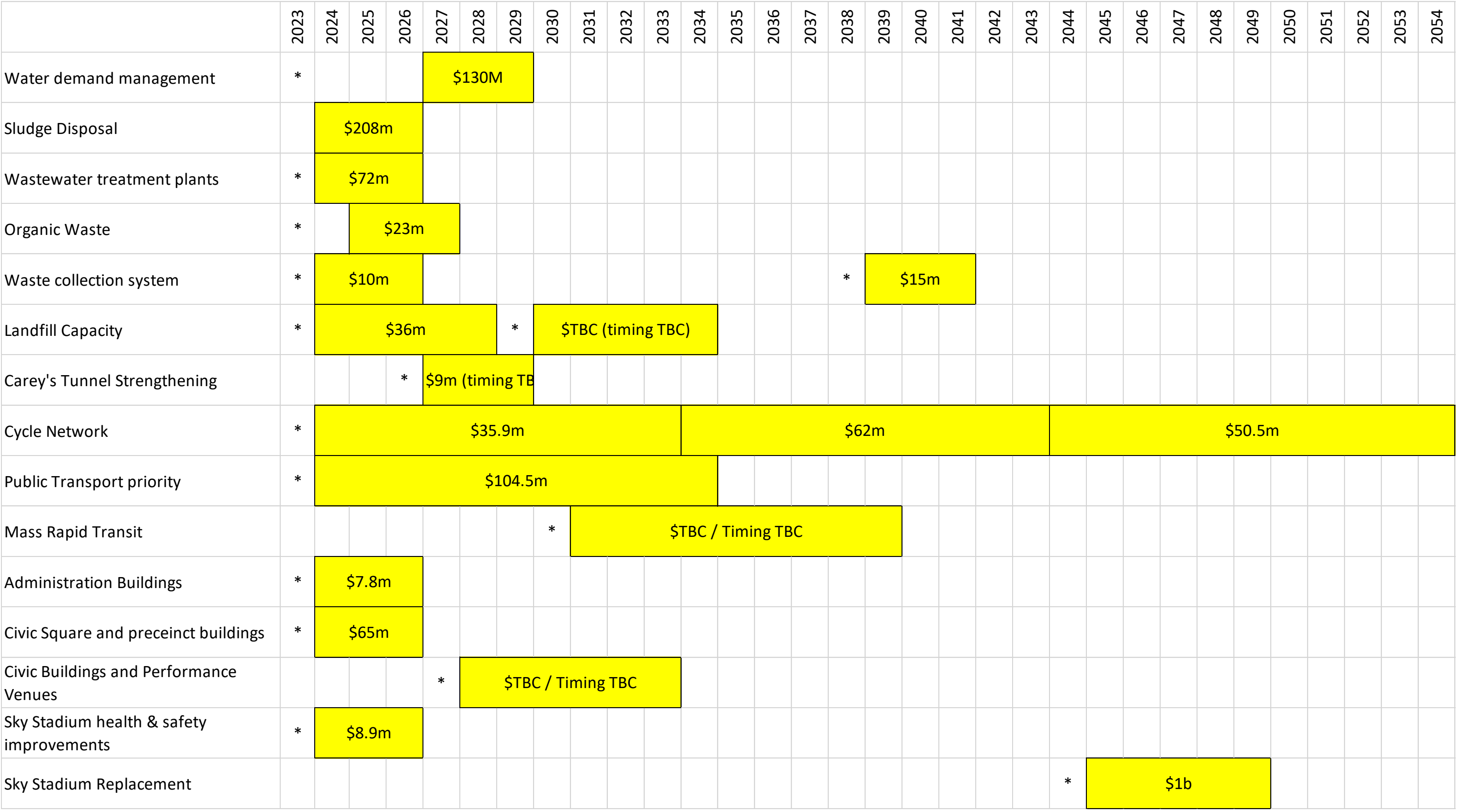
Community and Recreation Facilities Activity Opex and Capex forecast

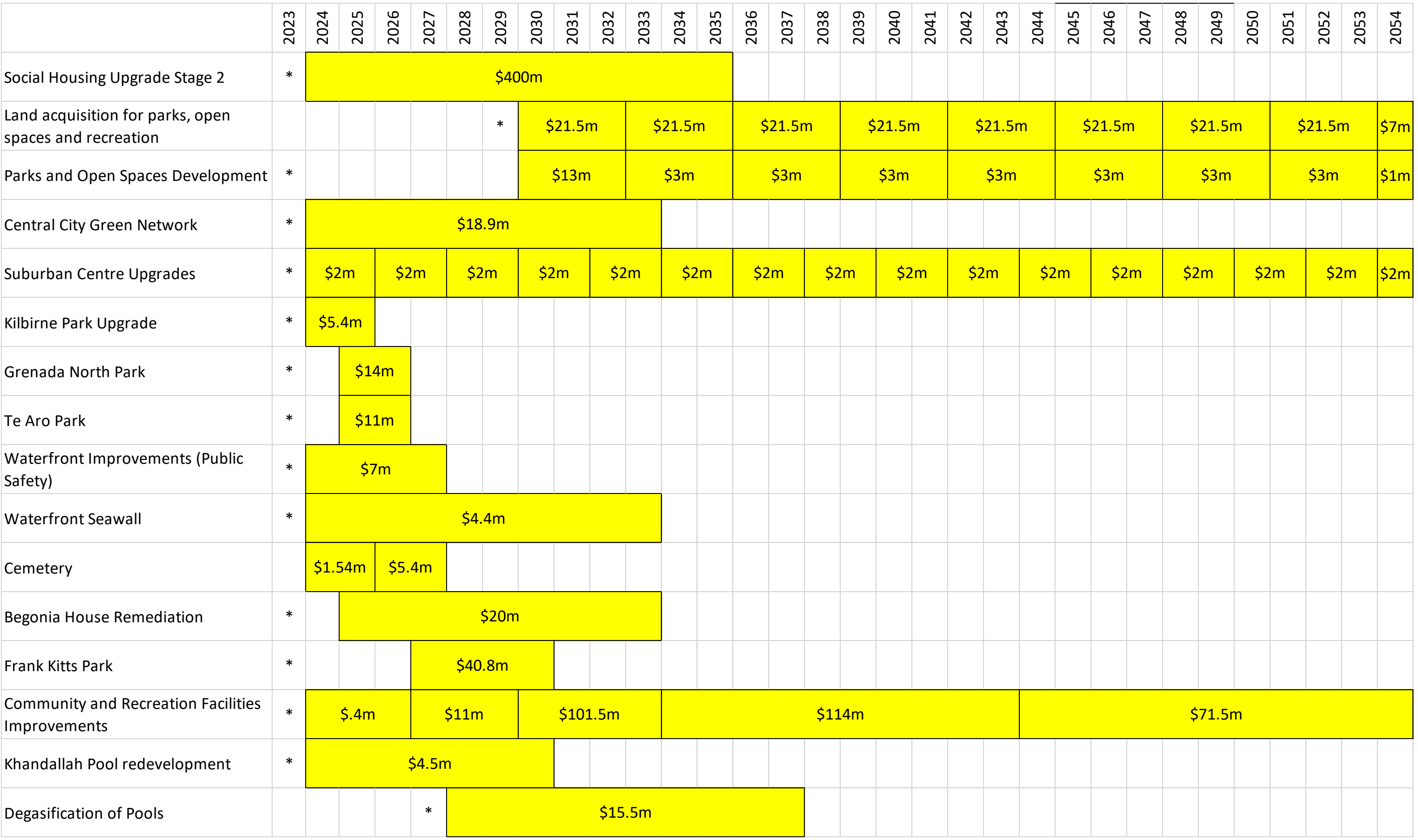
Year	Operating Expenditure	Capital Expenditure
2025/26~~2024/25~~	141,912,027 ~~132,221,492~~	33,453,988 ~~26,405,743~~
2026/27~~2025/26~~	149,279,731 ~~142,077,210~~	28,116,171 ~~33,357,293~~
2027/28~~2026/27~~	153,800,436 ~~145,875,961~~	23,571,123 ~~28,222,979~~
2028/29~~2027/28~~	160,501,551 ~~154,244,227~~	24,767,443 ~~23,304,959~~
2029/30~~2028/29~~	166,644,473 ~~159,084,791~~	20,870,842 ~~23,978,118~~
2030/31~~2029/30~~	170,663,619 ~~162,474,471~~	44,399,055 ~~20,456,694~~
2031/32~~2030/31~~	177,591,153 ~~166,580,967~~	40,688,521 ~~36,359,861~~
2032/33~~2031/32~~	181,089,991~~171,574,844~~	37,402,087~~51,416,136~~
2033/34~~2032/33~~	185,750,300 ~~175,501,651~~	49,349,655 ~~52,647,277~~
2034/35~~2033/34~~	189,339,590 ~~181,412,344~~	50,723,264 ~~48,601,551~~
2036-2040~~2034-2039~~	1,017,640,231 ~~999,457,031~~	214,453,589 ~~219,677,288~~

2041-2045~~2039-2044~~	1,097,194,852 ~~1,136,796,169~~	239,983,894 ~~227,303,913~~
2046-2050~~2044-2049~~	1,179,336,137 ~~1,272,068,647~~	128,348,844 ~~169,352,223~~
2051-2055~~2049-2054~~	1,137,591,542 ~~1,337,161,995~~	103,166,608 ~~106,600,162~~
Total	**6,108,335,633** ~~**6,336,531,800**~~	**1,039,295,084** ~~**1,067,684,197**~~

Figures are inflation adjusted

Programme view of likely scenario infrastructure investments





	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Social Housing Upgrade Stage 2	*	$400m																														
Land acquisition for parks, open spaces and recreation							*	$21.5m			$21.5m			$21.5m			$21.5m			$21.5m			$21.5m			$21.5m			$21.5m			$7m
Parks and Open Spaces Development	*							$13m			$3m			$3m			$3m			$3m			$3m			$3m			$3m			$1m
Central City Green Network	*	$18.9m																														
Suburban Centre Upgrades	*	$2m		$2m		$2m		$2m		$2m		$2m		$2m		$2m		$2m		$2m		$2m		$2m		$2m		$2m		$2m		$2m
Kilbirne Park Upgrade	*	$5.4m																														
Grenada North Park	*		$14m																													
Te Aro Park	*		$11m																													
Waterfront Improvements (Public Safety)	*	$7m																														
Waterfront Seawall	*	$4.4m																														
Cemetery		$1.54m		$5.4m																												
Begonia House Remediation	*		$20m																													
Frank Kitts Park	*				$40.8m																											
Community and Recreation Facilities Improvements	*	$.4m			$11m			$101.5m				$114m										$71.5m										
Khandallah Pool redevelopment	*	$4.5m																														
Degasification of Pools					*	$15.5m																										

NOTE: Dollar amounts are indicative and not inflated for out years and will be refined as more information is available and the implementation period draws closer.

Appendices

Appendix 1 – NIWA forecasting assumptions

Regional climate change assumptions

Climate change variables (projections) 2017
https://www.gw.govt.nz/assets/Documents/2017/06/Climate-Change-and-Variability-report-Wlgtn-Regn-High-Res-with-Appendix.pdf

Climate extremes 2020
https://www.gw.govt.nz/assets/Documents/2021/11/GWRC-2020-extremes-appendix-FINAL.pdf

WCC NIWA Reports for district plan
Sea-Level rise projections - March 2021 (1MB PDF)
Coastal hazards report - August 2021 (14.2MB PDF)

Appendix 2 – Summary of community facilities issues

The full plan can be found online.

https://www.letstalk.wellington.govt.nz/wellingtons-community-facilities

Ability to meet changing demands

We have substantial provision of community facilities in Wellington, not including public toilets we have about one facility per thousand people and 1.2 sqm per person.

Most of the facilities are small, stand-alone, and single purpose. Excluding a few very large facilities, like Ākau Tangi and the Wellington Regional Aquatic Centre (WRAC), the average size of all community facilities is 524 sqm. Small and older facilities do not cater for the range of current community needs or provide flexibility for changing needs and aspirations.

A key finding is community facilities that may have been perfect 50 years ago, are no longer fit-for-purpose for today and the future.

Geographically we have enough facilities to serve the city, however the following gaps exist:

- Recreation centres: these facilities are under pressure and there is an indicative geographic gap around Takapū/Northern and Wharangi/Western area.
- Swimming pools: we do not have enough play or hydrotherapy water in our network and there are potential geographic gaps in learn to swim provision.
- Public toilets: there may be geographic gaps in the City Centre, and at some community neighbourhood parks and beach areas.

Wellington does not need more, but better community facility provision. We need to work with the community to make careful decisions about future provision. Investment will be needed to address the identified challenges and to deliver thriving and accessible community facilities, where people connect, have fun, and belong.

Accessibility and inclusivity of community facilities

In Pōneke there are many different communities with diverse interests, needs and aspirations for community facilities. Our analysis found across the 49 libraries, community centres, recreation centres and swimming pools, there are a range of fit-for-purpose issues including:

- 75% of facilities do not reflect mātauranga Māori or te ao Māori, with minimal or no te reo signage or visibility of Māori narratives, identities, histories, or landmarks.

- 44% of facilities have poor accessibility into or through the spaces.
- 38% of facilities are not inclusive for diverse needs, such as gender-neutral toilets, baby changing / parenting facilities and low sensory spaces.
- 15% of facilities have aspects which are unsafe for users or staff.
- The functionality of community facilities for art and creative activities is a significant limitation identified by both users and facility providers.

Investigations will be done in partnership with mana whenua, Māori, and all communities to understand the diverse needs and lived experiences of diverse groups.

Deteriorating condition and appeal of facilities

Our analysis found across the 49 libraries, community centres, recreation centres and swimming pools, there were the following quality issues:

- 27% of facilities have significant building issues like leaks.
- 25% of facilities have insufficient capacity (size), 15% are not functional for intended activities and 27% have poor flexibility.
- 10% of facilities have seismic issues and 13% are in vulnerable locations for natural hazards.

Using the actions and consistent decision-making process set out in Te Awe Māpara, we will continue to carry out maintenance and improvements to existing facilities to maximise the value of what we have.

We recognise in some situations, where facilities are in deteriorating condition, inaccessible, poorly located, or poor design, the option which provides the greatest value for money may be to divest an existing building and consider alternative options. Given the age of facilities, there may be times when we need to consider divestment, such as:

- A building comes to the end of its useful life.
- Need for a facility diminishes and the building cannot be adapted.
- The site where a facility is located is subject to significant resilience risks which cannot be sustainably mitigated.
- A lease/licence has expired or terminated, and the building is not fit-for-purpose or needed.

High carbon emission profile of swimming pools

Pools contribute 45% of Council's building carbon emissions. Swimming pools are heated and cooled with gas, and collectively are the Council’s largest user of both gas and electricity.

The decarbonisation of the Council's community facilities, including the pools, is a significant part of the wider Energy Decarbonisation Plan (EDP). Delivering the EDP is critical to reach the 57% 2030 reduction target set out in Te Atakura.

The four pools in scope are: WRAC, Keith Spry Pool, Tawa Pool, Karori Pool.

Note that as part of decarbonisation, along with switching away from fossil fuels, this programme includes improving the energy efficiency of mechanical plant such as Heating, Ventilation, Air Conditioning (HVAC) systems which are critical in the environmental control of pools (i.e. managing the air within a swimming pool complex).

Affordability

Community facilities are expensive to build and maintain. The Council has a community facility portfolio based on a current value of $420 million. The cost of delivery is approximately $64 million for the primary network of libraries, swimming pools, recreation centres and community centres.

Over the last seven years there has been a 45% increase in operating costs, driven by inflation, decreased revenue (over the period of the Covid-19 pandemic), and increasing maintenance and delivery costs.

The decisions made early in the process have a direct impact on the long-term success of a facility. These decisions include the location, size, design, materials, and assumptions about how the facility will be delivered. A robust investigation process ensures all these aspects are assessed before a decision to invest is made.

In the past some decisions have not always followed a consistent process or been fully informed by evidence, which has resulted in:

- Facilities in poor locations or with design deficiencies which impact how easily people can use and access the facilities, and the efficiency of the facility to operate.
- Missed opportunities to achieve a holistic network.
- Lack of forward thinking to achieve the Council’s strategic outcomes like good urban design and hazard resilience.
- Focusing on a building solution when non-building options like pricing, programming, and marketing may be more beneficial.

Absolutely Positively
Wellington City Council

Me Heke Ki Pōneke

Prospective Statement of Comprehensive Revenue and Expense - Wellington City Council

	2024/25 Published LTP	2025/26 Amended LTP	2026/27 Amended LTP	2027/28 Amended LTP	2028/29 Amended LTP	2029/30 Amended LTP	2030/31 Amended LTP	2031/32 Amended LTP	2032/33 Amended LTP	2033/34 Amended LTP
	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
REVENUE										
Rates	565,716	639,382	456,129	480,099	504,052	530,202	560,790	589,097	595,945	613,662
Revenue from operating activities										
Development contributions	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Grants, subsidies and reimbursements	202,665	203,997	79,337	68,171	68,807	65,115	59,232	60,862	59,099	60,844
Other operating activities	189,916	194,385	198,463	198,479	205,094	209,240	215,196	221,199	226,767	232,544
Investments revenue	21,867	26,048	30,747	34,096	36,939	40,573	41,912	42,256	42,691	43,530
Vested assets and other revenue	1,700	3,373	2,252	1,278	1,304	1,329	2,854	2,380	1,405	1,430
Fair value movements - gains	7,557	5,854	5,743	5,743	5,172	4,999	4,827	4,827	4,827	4,655
Finance revenue	100	36	104	69	71	111	113	115	76	77
TOTAL REVENUE	**993,021**	**1,076,575**	**776,275**	**791,435**	**824,939**	**855,069**	**888,424**	**924,236**	**934,310**	**960,242**
EXPENSE										
Finance expense	72,264	71,933	71,907	62,304	70,949	77,322	84,878	96,644	97,799	98,660
Expenditure on operating activities	617,876	672,109	527,604	531,460	534,186	545,484	557,495	569,306	580,022	593,767
Depreciation and amortisation	222,314	255,922	167,606	183,182	202,661	222,529	244,703	259,062	262,934	281,744
Loss on derecognition of assets	-	-	3,085,771	-	-	-	-	-	-	-
TOTAL EXPENSE	**912,454**	**999,964**	**3,852,888**	**776,946**	**807,796**	**845,335**	**887,076**	**925,012**	**940,755**	**974,171**
NET SURPLUS/(DEFICIT) FOR THE YEAR	**80,567**	**76,611**	**(3,076,613)**	**14,489**	**17,143**	**9,734**	**1,348**	**(776)**	**(6,445)**	**(13,929)**
OTHER COMPREHENSIVE INCOME										
Fair value movement - property, plant and equipment (net)	206,393	210,698	-	282,511	337,040	-	327,793	386,323	-	360,373
Share of equity accounted surplus from associates	-	-	-	-	-	-	-	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME	**206,393**	**210,698**	**-**	**282,511**	**337,040**	**-**	**327,793**	**386,323**	**-**	**360,373**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**286,960**	**287,309**	**(3,076,613)**	**297,000**	**354,183**	**9,734**	**329,141**	**385,547**	**(6,445)**	**346,444**

Prospective Statement of Financial Position - Wellington City Council

	2024/25 Published LTP	2025/26 Amended LTP	2026/27 Amended LTP	2027/28 Amended LTP	2028/29 Amended LTP	2029/30 Amended LTP	2030/31 Amended LTP	2031/32 Amended LTP	2032/33 Amended LTP	2033/34 Amended LTP
ASSETS	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**
Current Assets										
Cash and cash equivalents	41,916	42,057	29,626	30,077	27,486	28,358	31,333	31,843	27,032	30,406
Derivative financial assets	-	724	724	724	724	724	724	724	724	724
Receivables and recoverables	97,445	114,249	95,124	96,134	99,672	102,356	105,919	109,405	111,826	114,783
Prepayments	20,329	32,572	23,200	23,146	23,122	23,504	24,096	24,645	25,212	25,714
Other financial assets	347,500	328,615	365,000	319,000	347,000	318,000	323,000	325,000	318,000	309,000
Inventories	1,013	1,355	1,355	1,355	1,355	1,355	1,355	1,355	1,355	1,355
Non-current assets classified as held for sale	-	-	-	-	-	-	-	-	-	-
Total Current Assets	**508,203**	**519,572**	**515,029**	**470,436**	**499,359**	**474,297**	**486,427**	**492,972**	**484,149**	**481,982**
Non Current Assets										
Derivative financial assets	72,984	63,713	63,713	63,713	63,713	63,713	63,713	63,713	63,713	63,713
Other financial assets	62,604	68,406	126,048	127,848	129,610	129,800	128,539	128,952	127,778	126,278
Intangibles	44,745	46,002	44,044	40,793	36,961	31,822	28,803	26,408	24,250	22,277
Investment properties	287,169	194,660	196,703	202,446	199,628	204,627	209,454	214,281	219,108	223,763
Property, plant and equipment	11,763,613	12,405,795	8,795,901	9,195,551	9,588,899	9,630,979	9,981,989	10,374,973	10,321,227	10,609,320
Investment in controlled entities	5,998	5,998	5,998	5,998	5,998	5,998	5,998	5,998	5,998	5,998
Investment in associates and joint venture	19,384	19,384	19,384	19,384	19,384	19,384	19,384	19,384	19,384	19,384
Total Non Current Assets	**12,256,497**	**12,803,958**	**9,251,791**	**9,655,733**	**10,044,193**	**10,086,323**	**10,437,880**	**10,833,709**	**10,781,458**	**11,070,733**
Total Assets	**12,764,700**	**13,323,530**	**9,766,820**	**10,126,169**	**10,543,552**	**10,560,620**	**10,924,307**	**11,326,681**	**11,265,607**	**11,552,715**
LIABILITIES										
Current Liabilities										
Derivative financial liabilities	-	-	-	-	-	-	-	-	-	-
Exchange transactions and transfers payable	161,928	158,637	100,626	93,735	87,727	88,468	90,531	91,507	84,751	85,913
Deferred revenue	21,741	22,336	22,804	22,806	23,566	24,043	24,727	25,417	26,057	26,720
Borrowings	267,500	246,500	351,000	305,000	333,000	304,000	309,000	311,000	304,000	295,000
Employee benefit liabilities and provisions	12,747	13,704	13,620	13,857	14,124	14,385	14,626	14,914	15,021	15,455
Provisions for other liabilities	3,435	4,164	3,598	2,855	2,192	2,399	1,979	1,861	1,736	1,512
Total Current Liabilities	**467,351**	**445,341**	**491,648**	**438,253**	**460,609**	**433,295**	**440,863**	**444,699**	**431,565**	**424,600**
Non Current Liabilities										
Derivative financial liabilities	-	-	-	-	-	-	-	-	-	-
Exchange transactions and transfers payable	-	-	-	-	-	-	-	-	-	-
Borrowings	1,942,363	2,090,590	1,566,756	1,684,306	1,726,290	1,762,285	1,790,192	1,803,992	1,763,192	1,711,270
Employee benefit liabilities and provisions	1,064	969	964	980	999	1,018	1,035	1,055	1,063	1,093
Provisions for other liabilities	28,395	28,813	26,248	24,426	23,267	21,901	20,955	20,126	19,423	18,944
Total Non Current Liabilities	**1,971,822**	**2,120,372**	**1,593,968**	**1,709,712**	**1,750,556**	**1,785,204**	**1,812,182**	**1,825,173**	**1,783,678**	**1,731,307**
Total Liabilities	**2,439,173**	**2,565,713**	**2,085,616**	**2,147,965**	**2,211,165**	**2,218,499**	**2,253,045**	**2,269,872**	**2,215,243**	**2,155,907**
Net Assets	**10,325,527**	**10,757,817**	**7,681,204**	**7,978,204**	**8,332,387**	**8,342,121**	**8,671,262**	**9,056,809**	**9,050,364**	**9,396,808**
Equity										
Accumulated funds and retained earnings	5,195,111	5,259,474	5,416,866	5,431,353	5,448,492	5,458,223	5,459,563	5,458,778	5,452,325	5,438,389
Revaluation reserves	5,031,193	5,408,763	2,174,754	2,457,265	2,794,305	2,794,305	3,122,098	3,508,421	3,508,421	3,868,794
Hedging Reserve	73,180	65,326	65,326	65,326	65,326	65,326	65,326	65,326	65,326	65,326
Fair value through other comprehensive income and exper	6,889	7,330	7,330	7,330	7,330	7,330	7,330	7,330	7,330	7,330
Restricted funds	19,154	16,924	16,928	16,930	16,934	16,937	16,945	16,954	16,962	16,969
Total Equity	**10,325,527**	**10,757,817**	**7,681,204**	**7,978,204**	**8,332,387**	**8,342,121**	**8,671,262**	**9,056,809**	**9,050,364**	**9,396,808**

Prospective Statement of Changes in Equity - Wellington City Council

	2024/25 Published LTP	2025/26 Amended LTP	2026/27 Amended LTP	2027/28 Amended LTP	2028/29 Amended LTP	2029/30 Amended LTP	2030/31 Amended LTP	2031/32 Amended LTP	2032/33 Amended LTP	2033/34 Amended LTP
	$000's	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**	**$000's**
Equity - opening balances										
Accumulated funds and retained earnings	5,114,549	5,182,866	5,259,474	5,416,866	5,431,353	5,448,492	5,458,223	5,459,563	5,458,778	5,452,325
Revaluation reserves	4,824,800	5,198,065	5,408,763	2,174,754	2,457,265	2,794,305	2,794,305	3,122,098	3,508,421	3,508,421
Hedging reserve	73,180	65,326	65,326	65,326	65,326	65,326	65,326	65,326	65,326	65,326
Fair value through other comprehensive revenue and expense reserve	6,889	7,330	7,330	7,330	7,330	7,330	7,330	7,330	7,330	7,330
Restricted funds	19,149	16,921	16,924	16,928	16,930	16,934	16,937	16,945	16,954	16,962
Total Equity - opening balances	**10,038,567**	**10,470,508**	**10,757,817**	**7,681,204**	**7,978,204**	**8,332,387**	**8,342,121**	**8,671,262**	**9,056,809**	**9,050,364**
Changes in Equity										
Retained earnings										
Net surplus/(deficit) for the year	80,567	76,611	(3,076,613)	14,489	17,143	9,734	1,348	(776)	(6,445)	(13,929)
Transfer to restricted funds	(3,671)	(3,546)	(3,581)	(3,611)	(3,644)	(3,674)	(3,710)	(3,743)	(3,773)	(3,803)
Transfer from restricted funds	3,666	3,543	3,577	3,609	3,640	3,671	3,702	3,734	3,765	3,796
Transfer from revaluation reserves	-	-	3,234,009	-	-	-	-	-	-	-
Transfer to revaluation reserves	-	-	-	-	-	-	-	-	-	-
Revaluation reserves										
Fair value movement - property, plant and equipment - net	206,393	210,698	-	282,511	337,040	-	327,793	386,323	-	360,373
Transfer to retained earnings	-	-	(3,234,009)	-	-	-	-	-	-	-
Hedging reserve										
Movement in hedging reserve	-	-	-	-	-	-	-	-	-	-
Fair value through other comprehensive revenue and expense reserve										
Movement in fair value	-	-	-	-	-	-	-	-	-	-
Restricted Funds										
Transfer to retained earnings	(3,666)	(3,543)	(3,577)	(3,609)	(3,640)	(3,671)	(3,702)	(3,734)	(3,765)	(3,796)
Transfer from retained earnings	3,671	3,546	3,581	3,611	3,644	3,674	3,710	3,743	3,773	3,803
Total comprehensive revenue and expense	**286,960**	**287,309**	**(3,076,613)**	**297,000**	**354,183**	**9,734**	**329,141**	**385,547**	**(6,445)**	**346,444**
Net Equity - Closing Balances										
Accumulated funds and retained earnings	5,195,111	5,259,474	5,416,866	5,431,353	5,448,492	5,458,223	5,459,563	5,458,778	5,452,325	5,438,389
Revaluation reserves	5,031,193	5,408,763	2,174,754	2,457,265	2,794,305	2,794,305	3,122,098	3,508,421	3,508,421	3,868,794
Hedging reserve	73,180	65,326	65,326	65,326	65,326	65,326	65,326	65,326	65,326	65,326
Fair value through other comprehensive revenue and expense reserve	6,889	7,330	7,330	7,330	7,330	7,330	7,330	7,330	7,330	7,330
Restricted funds	19,154	16,924	16,928	16,930	16,934	16,937	16,945	16,954	16,962	16,969
Total Equity - closing balances	**10,325,527**	**10,757,817**	**7,681,204**	**7,978,204**	**8,332,387**	**8,342,121**	**8,671,262**	**9,056,809**	**9,050,364**	**9,396,808**

Prospective Statement of Cash Flows - Wellington City Council

	2024/25 Published LTP	2025/26 Amended LTP	2026/27 Amended LTP	2027/28 Amended LTP	2028/29 Amended LTP	2029/30 Amended LTP	2030/31 Amended LTP	2031/32 Amended LTP	2032/33 Amended LTP	2033/34 Amended LTP
	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Cash flows from operating activities										
Receipts from rates - Council	563,121	636,608	476,817	479,096	503,050	529,108	559,510	587,913	595,658	612,921
Receipts from rates - Greater Wellington Regional Council	118,255	152,869	159,428	163,023	171,168	180,039	190,400	200,044	202,561	208,489
Receipts from rates - Sludge Levy	7,821	15,781	24,261	32,522	32,663	33,392	33,536	33,892	35,808	36,113
Receipts from activities and other income	187,982	198,149	199,870	201,004	205,872	210,707	216,200	222,217	227,927	233,672
Receipts from grants and subsidies - operating	18,858	15,928	12,983	14,735	14,595	14,791	15,122	15,475	15,833	16,188
Receipts from grants and subsidies - capital	187,807	193,717	70,854	56,935	57,712	53,824	49,110	49,888	46,767	48,155
Receipts from investment property lease rentals	11,467	11,448	11,847	12,096	12,339	12,573	12,812	13,056	13,291	13,530
Cash paid to suppliers and employees	(625,474)	(639,082)	(518,183)	(479,292)	(487,028)	(492,049)	(502,676)	(514,620)	(532,747)	(537,689)
Rates paid to Greater Wellington Regional Council	(118,255)	(152,869)	(159,428)	(163,023)	(171,168)	(180,039)	(190,400)	(200,044)	(202,561)	(208,489)
Rates paid to Sludge Finance LP	(7,821)	(15,781)	(24,261)	(32,522)	(32,663)	(33,392)	(33,536)	(33,892)	(35,808)	(36,113)
Grants paid	(56,450)	(61,757)	(61,280)	(61,319)	(54,678)	(53,955)	(54,456)	(54,897)	(55,309)	(55,657)
Net GST (paid) / received	-	-	-	-	-	-	-	-	-	-
Net cash flows from operating activities	**287,311**	**355,011**	**192,908**	**223,255**	**251,862**	**274,999**	**295,622**	**319,032**	**311,420**	**331,120**
Cash flows from investing activities										
Dividends received	10,400	14,600	18,900	22,000	24,600	28,000	29,100	29,200	29,400	30,000
Interest received	100	36	104	69	71	111	113	115	76	77
Proceeds from sale of investment properties	-	80,365	3,700	-	7,990	-	-	-	-	-
Proceeds from sale of intangibles	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of property, plant and equipment	19,410	5,370	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Proceeds from sale of other Financial Assets	-	191,500	248,615	285,000	239,000	267,000	238,000	243,000	245,000	238,000
Purchase of other Financial Assets	-	(248,615)	(285,000)	(239,000)	(267,000)	(238,000)	(243,000)	(245,000)	(238,000)	(229,000)
Purchase of intangibles	(11,070)	(11,286)	(7,039)	(6,149)	(6,272)	(5,284)	(5,384)	(5,487)	(5,586)	(5,686)
Purchase of property, plant and equipment	(705,897)	(661,393)	(377,263)	(295,970)	(253,877)	(257,626)	(261,505)	(261,505)	(203,523)	(203,554)
Purchase of Equity investments	-	-	(68,115)	-	-	-	-	-	-	-
LWDW equity settlements	-	-	750,000	-	-	-	-	-	-	-
Net cash flows from investing activities	**(687,057)**	**(629,423)**	**285,902**	**(232,050)**	**(253,488)**	**(203,799)**	**(240,676)**	**(237,677)**	**(170,633)**	**(168,163)**
Cash flows from financing activities										
New borrowings	737,844	578,447	577,166	422,550	374,984	339,994	336,907	324,799	263,201	243,077
Repayment of borrowings	(267,500)	(257,500)	(996,500)	(351,000)	(305,000)	(333,000)	(304,000)	(309,000)	(311,000)	(304,000)
Interest paid on borrowings	(72,264)	(71,933)	(71,907)	(62,304)	(70,949)	(77,322)	(84,878)	(96,644)	(97,799)	(98,660)
Net cash flows from financing activities	**398,080**	**249,014**	**(491,241)**	**9,246**	**(965)**	**(70,328)**	**(51,971)**	**(80,845)**	**(145,598)**	**(159,583)**
Net increase/(decrease) in cash and cash equivalents	(1,666)	(25,398)	(12,431)	451	(2,591)	872	2,975	510	(4,811)	3,374
Cash and cash equivalents at beginning of year	43,582	67,455	42,057	29,626	30,077	27,486	28,358	31,333	31,843	27,032
Cash and cash equivalents at end of year	**41,916**	**42,057**	**29,626**	**30,077**	**27,486**	**28,358**	**31,333**	**31,843**	**27,032**	**30,406**

Prospective Statement of Changes in Restricted / Reserve Funds - Wellington City Council

	Opening balance	Deposits	Expenditure	Closing balance	
	2024/25			2033/34	
	$000	$000	$000	$000	Purpose
Special reserves and funds					
Reserve purchase and development fund	782	-	-	782	
City growth fund	908	18,063	(18,063)	908	
Insurance reserve	14,713	14,839	(14,839)	14,713	Allows the Council to meet the uninsured portion of insurance claims
Total special reserves and funds	**16,403**	**32,902**	**(32,902)**	**16,403**	
Trusts and bequests	518	183	(135)	566	
Total restricted funds	**16,921**	**33,085**	**(33,037)**	**16,969**	

FUNDING IMPACT STATEMENT
FOR WHOLE OF COUNCIL

	2024/25 LTP	2025/26 LTP Amendment	2026/27 LTP Amendment	2027/28 LTP Amendment	2028/29 LTP Amendment	2029/30 LTP Amendment	2030/31 LTP Amendment	2031/32 LTP Amendment	2032/33 LTP Amendment	2033/34 LTP Amendment
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	329,612	371,362	411,642	411,377	436,387	460,602	490,101	516,557	521,777	542,856
Targeted rates (other than a targeted rate for water supply)	236,104	268,020	44,488	67,853	67,666	69,600	70,690	72,540	74,168	70,806
Subsidies and grants for operating purposes	18,062	15,928	12,983	14,735	14,595	14,791	15,122	15,475	15,833	16,188
Fees and charges	191,732	197,077	201,373	201,433	208,089	212,274	218,278	224,331	229,935	235,760
Interest and dividends from investments	10,500	14,636	19,004	22,069	24,671	28,111	29,213	29,315	29,476	30,077
Local authorities fuel tax, fines, infringement fees, and other receipts	10,750	9,879	10,085	10,314	10,539	10,757	10,971	11,189	11,410	11,625
Total operating funding (A)	**796,761**	**876,903**	**699,575**	**727,782**	**761,946**	**796,134**	**834,374**	**869,406**	**882,599**	**907,313**
Applications of operating funding										
Payments to staff and suppliers	560,934	610,438	466,432	470,231	479,599	491,622	503,135	514,506	524,811	538,211
Finance costs	72,264	71,933	71,907	62,304	70,949	77,322	84,878	96,644	97,799	98,660
Other operating funding applications	56,944	61,805	61,328	61,368	54,729	54,006	54,508	54,950	55,363	55,712
Total applications of operating funding (B)	**690,143**	**744,175**	**599,666**	**593,903**	**605,277**	**622,950**	**642,521**	**666,100**	**677,973**	**692,583**
Surplus (deficit) of operating funding (A-B)	**106,618**	**132,728**	**99,909**	**133,879**	**156,669**	**173,184**	**191,853**	**203,306**	**204,625**	**214,730**
Sources of capital funding										
Subsidies and grants for capital expenditure	185,103	190,217	67,354	54,304	54,621	50,619	45,911	46,694	43,579	44,974
Development and financial contributions	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Increase (decrease) in debt	376,222	206,924	177,764	112,886	40,190	34,898	26,428	12,892	(41,754)	(52,665)
Gross proceeds from sales of assets	23,410	85,735	5,700	2,000	9,990	2,000	2,000	2,000	2,000	2,000
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**588,235**	**486,376**	**254,318**	**172,690**	**108,301**	**91,017**	**77,839**	**65,086**	**7,325**	**(2,192)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	72,089	9,965	26,174	33,417	12,769	28,759	17,242	27,344	22,298	27,207
- to improve level of service	361,135	392,231	147,087	67,708	49,239	25,629	58,115	79,581	43,078	44,192
- to replace existing assets	261,630	213,941	178,506	202,947	200,130	207,082	191,546	158,405	143,654	138,091
Increase (decrease) in reserves	(0)	2,967	2,459	2,497	2,832	2,730	2,789	3,062	2,921	3,048
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**694,853**	**619,104**	**354,227**	**306,569**	**264,970**	**264,200**	**269,692**	**268,392**	**211,951**	**212,538**
Surplus (deficit) of capital funding (C-D)	**(106,618)**	**(132,728)**	**(99,909)**	**(133,879)**	**(156,669)**	**(173,184)**	**(191,853)**	**(203,306)**	**(204,625)**	**(214,730)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge										
	222,314	255,922	167,606	183,182	202,661	222,529	244,703	259,062	262,934	281,744

FUNDING IMPACT STATEMENT

10.1 Organisational Projects

	2024/25 LTP	2025/26 LTP Amendment	2026/27 LTP Amendment	2027/28 LTP Amendment	2028/29 LTP Amendment	2029/30 LTP Amendment	2030/31 LTP Amendment	2031/32 LTP Amendment	2032/33 LTP Amendment	2033/34 LTP Amendment
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	742	(2,507)	4,066	(1,634)	(1,696)	(3,176)	(3,040)	(1,769)	(1,500)	(1,876)
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	498	1,397	1,431	1,464	1,498	1,531	1,563	1,596
Fees and charges	24,583	25,853	27,449	28,130	28,803	28,815	29,470	30,144	30,824	31,508
Interest and dividends from investments	10,500	14,636	19,004	22,069	24,671	28,111	29,213	29,315	29,476	30,077
Local authorities fuel tax, fines, infringement fees, and other receipts	1,100	1,123	1,148	1,172	1,195	1,218	1,241	1,265	1,288	1,311
Total operating funding (A)	**36,925**	**39,105**	**52,165**	**51,134**	**54,404**	**56,432**	**58,382**	**60,487**	**61,651**	**62,616**
Applications of operating funding										
Payments to staff and suppliers	139,828	143,172	142,737	144,632	147,510	150,858	154,330	156,953	158,731	163,708
Finance costs	5,098	6,962	13,417	10,799	12,198	13,319	14,945	17,540	17,835	18,127
Other operating funding applications	1,047	1,518	571	1,021	21	21	21	21	21	21
Internal charges recovered	(125,343)	(130,743)	(133,172)	(139,291)	(145,927)	(153,697)	(158,756)	(165,405)	(170,006)	(177,416)
Total applications of operating funding (B)	**20,631**	**20,909**	**23,553**	**17,161**	**13,802**	**10,501**	**10,540**	**9,109**	**6,581**	**4,440**
Surplus (deficit) of operating funding (A-B)	**16,294**	**18,196**	**28,612**	**33,973**	**40,603**	**45,931**	**47,842**	**51,377**	**55,071**	**58,176**
Sources of capital funding										
Subsidies and grants for capital expenditure	400	8,031	30,893	4,922	409	294	300	306	312	318
Development and financial contributions	0	0	2,238	2,238	2,238	2,238	2,238	2,238	2,238	2,238
Increase (decrease) in debt	149,823	(43,160)	(13,416)	(16,305)	(25,177)	(5,734)	(11,132)	(33,109)	(35,625)	(38,830)
Gross proceeds from sales of assets	23,410	85,735	5,700	2,000	9,990	2,000	2,000	2,000	2,000	2,000
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**173,633**	**50,606**	**25,414**	**(7,145)**	**(12,540)**	**(1,202)**	**(6,594)**	**(28,565)**	**(31,075)**	**(34,274)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	104,767	27,944	25,825	977	996	1,015	1,034	1,047	1,066	1,085
- to replace existing assets	85,160	40,859	26,549	24,113	25,239	41,844	38,279	19,708	20,888	20,781
Increase (decrease) in reserves	(0)	(0)	1,653	1,738	1,828	1,869	1,935	2,057	2,041	2,036
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**189,927**	**68,802**	**54,027**	**26,827**	**28,063**	**44,729**	**41,248**	**22,812**	**23,996**	**23,902**
Surplus (deficit) of capital funding (C-D)	**(16,294)**	**(18,196)**	**(28,612)**	**(33,973)**	**(40,603)**	**(45,931)**	**(47,842)**	**(51,377)**	**(55,071)**	**(58,176)**
Funding balance ((A-B) + (C-D))	**(0)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	16,461	18,269	23,850	29,575	34,699	39,895	42,407	47,162	51,420	55,054

FUNDING IMPACT STATEMENT

1.1 Governance Information and Engagement

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	LTP	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	22,248	24,197	23,839	24,935	26,160	26,589	27,573	28,341	28,354	29,583
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Fees and charges	517	686	466	476	693	495	504	733	523	532
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**22,765**	**24,883**	**24,305**	**25,411**	**26,852**	**27,084**	**28,077**	**29,074**	**28,877**	**30,116**
Applications of operating funding										
Payments to staff and suppliers	13,898	14,884	13,957	14,380	15,265	14,758	15,305	16,180	15,634	16,248
Finance costs	30	26	48	37	43	47	53	64	65	66
Other operating funding applications	10	10	10	10	10	10	10	10	10	10
Internal charges	7,816	8,113	8,402	9,079	9,628	10,404	10,864	11,476	11,824	12,447
Total applications of operating funding (B)	**21,754**	**23,033**	**22,417**	**23,507**	**24,946**	**25,219**	**26,232**	**27,729**	**27,532**	**28,771**
Surplus (deficit) of operating funding (A-B)	**1,011**	**1,850**	**1,888**	**1,904**	**1,907**	**1,865**	**1,845**	**1,345**	**1,345**	**1,345**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(1,011)	(1,703)	(1,888)	(1,904)	(1,907)	(1,865)	(1,845)	(1,345)	(1,345)	(1,345)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**(1,011)**	**(1,703)**	**(1,888)**	**(1,904)**	**(1,907)**	**(1,865)**	**(1,845)**	**(1,345)**	**(1,345)**	**(1,345)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	146	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(0)	(0)	0	(0)	(0)	(0)	0	0	(0)	(0)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**(0)**	**146**	**0**	**(0)**	**(0)**	**(0)**	**0**	**0**	**(0)**	**(0)**
Surplus (deficit) of capital funding (C-D)	**(1,011)**	**(1,850)**	**(1,888)**	**(1,904)**	**(1,907)**	**(1,865)**	**(1,845)**	**(1,345)**	**(1,345)**	**(1,345)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge										
	505	1,344	1,382	1,398	1,401	1,359	1,339	1,339	1,339	1,339

FUNDING IMPACT STATEMENT

2.1 Parks, Beaches and Open Spaces

	2024/25 LTP $000s	2025/26 LTP Amendment $000s	2026/27 LTP Amendment $000s	2027/28 LTP Amendment $000s	2028/29 LTP Amendment $000s	2029/30 LTP Amendment $000s	2030/31 LTP Amendment $000s	2031/32 LTP Amendment $000s	2032/33 LTP Amendment $000s	2033/34 LTP Amendment $000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	52,063	58,085	61,594	60,975	62,483	66,711	69,851	72,917	74,900	76,930
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	190	129	89	91	92	94	96	98	100	102
Fees and charges	2,425	2,562	2,532	2,588	2,642	2,694	2,746	2,798	2,851	2,902
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	25	0	0	0	0	0	0	0	0
Total operating funding (A)	**54,679**	**60,800**	**64,215**	**63,653**	**65,218**	**69,499**	**72,692**	**75,813**	**77,850**	**79,933**
Applications of operating funding										
Payments to staff and suppliers	28,090	29,961	30,568	31,667	32,456	34,136	35,045	35,841	36,818	37,423
Finance costs	5,929	5,960	9,196	7,726	8,639	9,384	10,428	11,860	12,058	12,194
Other operating funding applications	170	170	170	170	120	120	120	120	120	120
Internal charges	10,495	11,415	12,112	13,001	13,722	14,912	15,526	16,136	16,618	17,372
Total applications of operating funding (B)	**44,685**	**47,506**	**52,045**	**52,564**	**54,937**	**58,551**	**61,118**	**63,957**	**65,614**	**67,109**
Surplus (deficit) of operating funding (A-B)	**9,994**	**13,295**	**12,170**	**11,089**	**10,280**	**10,948**	**11,574**	**11,855**	**12,236**	**12,824**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	320	320	320	320	320	320	320	320	320	320
Increase (decrease) in debt	5,653	15,857	7,502	8,487	9,733	8,341	6,656	15,504	10,548	9,494
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**5,973**	**16,177**	**7,822**	**8,807**	**10,053**	**8,661**	**6,976**	**15,824**	**10,867**	**9,814**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	2,386	1,571	1,000	5,023	1,726	8,899	8,729	18,654	12,455	10,611
- to improve level of service	5,100	15,208	10,865	5,671	7,243	455	1,888	1,394	399	763
- to replace existing assets	8,481	12,694	9,782	10,942	13,193	12,126	9,869	9,690	12,293	13,302
Increase (decrease) in reserves	0	(2)	(1,655)	(1,740)	(1,830)	(1,872)	(1,937)	(2,059)	(2,044)	(2,038)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**15,967**	**29,471**	**19,991**	**19,896**	**20,333**	**19,609**	**18,549**	**27,680**	**23,103**	**22,639**
Surplus (deficit) of capital funding (C-D)	**(9,994)**	**(13,295)**	**(12,170)**	**(11,089)**	**(10,280)**	**(10,948)**	**(11,574)**	**(11,855)**	**(12,236)**	**(12,824)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	12,851	13,243	13,774	12,780	12,063	12,775	13,468	13,877	14,243	14,828

FUNDING IMPACT STATEMENT

2.2 Waste Reduction and Energy Conservation

	2024/25 LTP	2025/26 LTP Amendment	2026/27 LTP Amendment	2027/28 LTP Amendment	2028/29 LTP Amendment	2029/30 LTP Amendment	2030/31 LTP Amendment	2031/32 LTP Amendment	2032/33 LTP Amendment	2033/34 LTP Amendment
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	511	63	73	104	77	82	87	94	98	4,557
Targeted rates	0	0	0	22,104	21,491	22,440	23,332	24,212	25,036	21,462
Subsidies and grants for operating purposes	0	578	0	0	0	0	0	0	0	0
Fees and charges	32,592	34,439	36,537	32,855	35,241	36,802	38,825	40,848	42,926	45,049
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**33,103**	**35,080**	**36,610**	**55,063**	**56,809**	**59,324**	**62,244**	**65,154**	**68,060**	**71,068**
Applications of operating funding										
Payments to staff and suppliers	29,576	31,054	33,425	46,258	46,067	46,952	49,081	50,581	52,048	53,539
Finance costs	791	690	993	856	941	1,009	1,106	1,258	1,283	1,306
Other operating funding applications	538	0	0	0	0	0	0	0	0	0
Internal charges	4,032	4,277	4,818	6,320	6,558	7,169	7,610	8,042	8,349	8,801
Total applications of operating funding (B)	**34,937**	**36,021**	**39,236**	**53,435**	**53,565**	**55,130**	**57,796**	**59,881**	**61,680**	**63,647**
Surplus (deficit) of operating funding (A-B)	**(1,834)**	**(942)**	**(2,626)**	**1,629**	**3,244**	**4,193**	**4,447**	**5,273**	**6,380**	**7,422**
Sources of capital funding										
Subsidies and grants for capital expenditure	383	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	16,785	11,717	38,465	27,359	7,916	866	991	1,678	801	100
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**17,168**	**11,717**	**38,465**	**27,359**	**7,916**	**866**	**991**	**1,678**	**801**	**100**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	383	2,290	18,980	13,684	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	14,951	8,485	16,859	15,303	11,160	5,059	5,439	6,951	7,181	7,521
Increase (decrease) in reserves	0	0	0	(0)	0	0	0	(0)	0	(0)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**15,334**	**10,775**	**35,840**	**28,987**	**11,160**	**5,059**	**5,439**	**6,951**	**7,181**	**7,521**
Surplus (deficit) of capital funding (C-D)	**1,834**	**942**	**2,626**	**(1,629)**	**(3,244)**	**(4,193)**	**(4,447)**	**(5,273)**	**(6,380)**	**(7,422)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	993	1,292	1,584	1,795	4,253	6,395	7,033	7,254	7,734	8,292

FUNDING IMPACT STATEMENT
2.3 Water Supply

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	LTP	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0
Targeted rates	83,152	92,412	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	2,700	0	0	0	0	0	0	0	0	0
Fees and charges	51	2,990	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**85,903**	**95,401**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Applications of operating funding										
Payments to staff and suppliers	67,121	73,737	0	0	0	0	0	0	0	0
Finance costs	7,471	6,969	0	0	0	0	0	0	0	0
Other operating funding applications	0	0	0	0	0	0	0	0	0	0
Internal charges	2,357	2,026	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	**76,949**	**82,732**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Surplus (deficit) of operating funding (A-B)	**8,954**	**12,669**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	1,175	1,175	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(2,426)	89	0	0	0	0	0	0	0	0
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**(1,251)**	**1,264**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	150	154	0	0	0	0	0	0	0	0
- to improve level of service	2,625	1,580	0	0	0	0	0	0	0	0
- to replace existing assets	4,927	12,199	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(0)	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**7,703**	**13,933**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Surplus (deficit) of capital funding (C-D)	**(8,954)**	**(12,669)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	26,447	34,972	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

2.4 Wastewater

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	LTP	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0
Targeted rates	79,569	85,217	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	2,573	0	0	0	0	0	0	0	0
Fees and charges	948	967	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**80,517**	**88,758**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Applications of operating funding										
Payments to staff and suppliers	44,787	54,763	0	0	0	0	0	0	0	0
Finance costs	13,340	12,534	0	0	0	0	0	0	0	0
Other operating funding applications	0	0	0	0	0	0	0	0	0	0
Internal charges	2,560	3,240	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	**60,688**	**70,537**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Surplus (deficit) of operating funding (A-B)	**19,829**	**18,221**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Sources of capital funding										
Subsidies and grants for capital expenditure	116,893	151,017	0	0	0	0	0	0	0	0
Development and financial contributions	961	961	0	0	0	0	0	0	0	0
Increase (decrease) in debt	29,125	24,768	0	0	0	0	0	0	0	0
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**146,978**	**176,746**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	6,150	205	0	0	0	0	0	0	0	0
- to improve level of service	130,088	170,809	0	0	0	0	0	0	0	0
- to replace existing assets	30,570	23,953	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**166,808**	**194,967**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Surplus (deficit) of capital funding (C-D)	**(19,829)**	**(18,221)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	41,405	49,848	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

2.5 Stormwater

	2024/25 LTP	2025/26 LTP Amendment	2026/27 LTP Amendment	2027/28 LTP Amendment	2028/29 LTP Amendment	2029/30 LTP Amendment	2030/31 LTP Amendment	2031/32 LTP Amendment	2032/33 LTP Amendment	2033/34 LTP Amendment
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	1,234	0	0	0	0	0	0	0	0	0
Targeted rates	32,963	47,540	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	1,234	485	0	0	0	0	0	0	0	0
Fees and charges	2	2	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**34,199**	**48,027**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Applications of operating funding										
Payments to staff and suppliers	14,609	24,297	0	0	0	0	0	0	0	0
Finance costs	9,101	8,490	0	0	0	0	0	0	0	0
Other operating funding applications	0	0	0	0	0	0	0	0	0	0
Internal charges	727	1,059	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	**24,437**	**33,846**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Surplus (deficit) of operating funding (A-B)	**9,762**	**14,181**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	102	102	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(6,142)	(10,493)	0	0	0	0	0	0	0	0
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**(6,040)**	**(10,392)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	150	154	0	0	0	0	0	0	0	0
- to improve level of service	2,045	2,045	0	0	0	0	0	0	0	0
- to replace existing assets	1,526	1,591	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(0)	0	0	0	0	0	0	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**3,721**	**3,789**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Surplus (deficit) of capital funding (C-D)	**(9,762)**	**(14,181)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	21,658	23,429	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

2.6 Conservation Attractions

	2024/25 LTP	2025/26 LTP Amendment	2026/27 LTP Amendment	2027/28 LTP Amendment	2028/29 LTP Amendment	2029/30 LTP Amendment	2030/31 LTP Amendment	2031/32 LTP Amendment	2032/33 LTP Amendment	2033/34 LTP Amendment
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	9,964	10,111	10,450	10,553	10,997	11,315	11,795	12,575	13,307	13,827
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**9,964**	**10,111**	**10,450**	**10,553**	**10,997**	**11,315**	**11,795**	**12,575**	**13,307**	**13,827**
Applications of operating funding										
Payments to staff and suppliers	409	453	476	501	528	548	570	586	610	632
Finance costs	922	874	1,202	1,045	1,149	1,242	1,356	1,558	1,594	1,624
Other operating funding applications	5,932	6,047	6,217	6,366	6,500	6,617	6,716	6,803	6,885	6,954
Internal charges	134	115	119	124	129	135	139	143	147	152
Total applications of operating funding (B)	**7,396**	**7,490**	**8,014**	**8,037**	**8,305**	**8,542**	**8,781**	**9,090**	**9,236**	**9,362**
Surplus (deficit) of operating funding (A-B)	**2,568**	**2,621**	**2,435**	**2,516**	**2,693**	**2,773**	**3,014**	**3,485**	**4,071**	**4,465**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(1,257)	(1,279)	(1,029)	(692)	(92)	1,140	4,443	6,792	(1,867)	(2,215)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**(1,257)**	**(1,279)**	**(1,029)**	**(692)**	**(92)**	**1,140**	**4,443**	**6,792**	**(1,867)**	**(2,215)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	300	700	4,500	7,118	0	0
- to replace existing assets	1,311	1,342	1,406	1,823	2,301	3,213	2,957	3,159	2,204	2,251
Increase (decrease) in reserves	(0)	0	(0)	0	0	(0)	(0)	0	0	(0)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**1,311**	**1,342**	**1,406**	**1,823**	**2,601**	**3,913**	**7,457**	**10,277**	**2,204**	**2,251**
Surplus (deficit) of capital funding (C-D)	**(2,568)**	**(2,621)**	**(2,435)**	**(2,516)**	**(2,693)**	**(2,773)**	**(3,014)**	**(3,485)**	**(4,071)**	**(4,465)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	2,530	2,583	2,397	2,478	2,655	2,735	2,976	3,447	4,071	4,465

FUNDING IMPACT STATEMENT
3.1 City Promotions and Business Support

	2024/25 LTP $000s	2025/26 LTP Amendment $000s	2026/27 LTP Amendment $000s	2027/28 LTP Amendment $000s	2028/29 LTP Amendment $000s	2029/30 LTP Amendment $000s	2030/31 LTP Amendment $000s	2031/32 LTP Amendment $000s	2032/33 LTP Amendment $000s	2033/34 LTP Amendment $000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	13,858	14,812	15,436	16,292	17,790	17,716	18,325	18,938	19,696	19,718
Targeted rates	18,360	19,364	19,849	20,315	20,200	21,126	21,486	21,778	22,103	21,780
Subsidies and grants for operating purposes	500	0	0	0	0	0	0	0	0	0
Fees and charges	21,104	17,420	17,893	18,366	18,840	19,297	19,762	20,234	20,721	21,094
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**53,822**	**51,597**	**53,179**	**54,973**	**56,830**	**58,139**	**59,573**	**60,950**	**62,519**	**62,592**
Applications of operating funding										
Payments to staff and suppliers	29,561	26,690	27,647	28,588	29,572	30,407	31,271	32,031	32,975	33,605
Finance costs	3,724	3,748	3,696	3,647	3,601	3,557	3,510	3,470	3,424	3,376
Other operating funding applications	16,127	19,466	19,791	20,201	17,731	19,105	19,293	19,459	19,614	19,744
Internal charges	2,327	2,526	2,628	2,775	2,889	3,072	3,189	3,313	3,410	3,542
Total applications of operating funding (B)	**51,739**	**52,430**	**53,762**	**55,211**	**53,793**	**56,141**	**57,264**	**58,273**	**59,421**	**60,267**
Surplus (deficit) of operating funding (A-B)	**2,083**	**(833)**	**(583)**	**(238)**	**3,037**	**1,998**	**2,309**	**2,677**	**3,098**	**2,325**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	2,621	3,722	2,764	5,991	3,039	2,597	(1,140)	293	4,044	1,758
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**2,621**	**3,722**	**2,764**	**5,991**	**3,039**	**2,597**	**(1,140)**	**293**	**4,044**	**1,758**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	4,704	2,889	2,181	5,753	6,077	4,595	1,169	2,970	7,143	4,083
Increase (decrease) in reserves	0	(0)	0	0	0	0	0	(0)	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**4,704**	**2,889**	**2,181**	**5,753**	**6,077**	**4,595**	**1,169**	**2,970**	**7,143**	**4,083**
Surplus (deficit) of capital funding (C-D)	**(2,083)**	**833**	**583**	**238**	**(3,037)**	**(1,998)**	**(2,309)**	**(2,677)**	**(3,098)**	**(2,325)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	6,961	7,379	11,120	11,406	11,415	11,941	12,489	12,890	13,155	13,793

FUNDING IMPACT STATEMENT

4.1 Arts and Cultural Activities

	2024/25 LTP $000s	2025/26 LTP Amendment $000s	2026/27 LTP Amendment $000s	2027/28 LTP Amendment $000s	2028/29 LTP Amendment $000s	2029/30 LTP Amendment $000s	2030/31 LTP Amendment $000s	2031/32 LTP Amendment $000s	2032/33 LTP Amendment $000s	2033/34 LTP Amendment $000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	20,426	21,052	21,132	22,055	22,669	23,163	23,465	23,858	24,438	24,532
Targeted rates	8,084	8,227	8,399	8,484	8,585	8,670	8,747	8,823	8,884	8,883
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Fees and charges	587	599	612	625	638	651	663	676	689	701
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**29,096**	**29,878**	**30,143**	**31,164**	**31,892**	**32,485**	**32,875**	**33,357**	**34,011**	**34,117**
Applications of operating funding										
Payments to staff and suppliers	7,821	8,124	7,735	7,888	8,051	8,208	8,365	8,527	8,918	8,825
Finance costs	79	68	107	83	96	106	120	143	146	148
Other operating funding applications	18,675	19,198	19,687	19,987	20,255	20,490	20,689	20,865	21,029	21,167
Internal charges	1,772	1,740	1,844	1,980	2,088	2,270	2,360	2,467	2,548	2,668
Total applications of operating funding (B)	**28,347**	**29,130**	**29,373**	**29,938**	**30,490**	**31,073**	**31,534**	**32,002**	**32,641**	**32,808**
Surplus (deficit) of operating funding (A-B)	**750**	**748**	**770**	**1,226**	**1,403**	**1,411**	**1,341**	**1,355**	**1,370**	**1,308**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	2,753	2,745	1,481	(1,045)	(1,321)	(1,328)	(1,256)	12,567	4,473	(252)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**2,753**	**2,745**	**1,481**	**(1,045)**	**(1,321)**	**(1,328)**	**(1,256)**	**12,567**	**4,473**	**(252)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	2,266	3,494	2,252	181	82	83	85	13,922	5,842	1,056
- to replace existing assets	1,237	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	0	(0)	(0)	0	0	(0)	0	(0)	(0)	(0)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**3,503**	**3,494**	**2,252**	**181**	**82**	**83**	**85**	**13,922**	**5,842**	**1,056**
Surplus (deficit) of capital funding (C-D)	**(750)**	**(748)**	**(770)**	**(1,226)**	**(1,403)**	**(1,411)**	**(1,341)**	**(1,355)**	**(1,370)**	**(1,308)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	712	710	732	1,188	1,365	1,373	1,303	1,317	1,332	1,270

FUNDING IMPACT STATEMENT
5.1 Recreation Promotion and Support

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	LTP	**LTP Amendment**	**LTP Amendment**	**LTP Amendment**	**LTP Amendment**	**LTP Amendment**	**LTP Amendment**	**LTP Amendment**	**LTP Amendment**	**LTP Amendment**
	$000s	**$000s**	**$000s**	**$000s**	**$000s**	**$000s**	**$000s**	**$000s**	**$000s**	**$000s**
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	47,077	47,118	49,975	51,835	55,182	58,696	60,184	63,479	65,508	67,633
Targeted rates	2,691	2,782	3,152	3,112	3,245	3,398	3,740	4,106	4,354	4,533
Subsidies and grants for operating purposes	15	15	16	16	16	17	17	17	18	18
Fees and charges	13,652	14,335	14,564	14,716	15,255	15,273	15,841	16,091	16,285	16,604
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**63,436**	**64,250**	**67,707**	**69,680**	**73,699**	**77,384**	**79,783**	**83,694**	**86,165**	**88,788**
Applications of operating funding										
Payments to staff and suppliers	31,329	31,929	32,895	33,594	34,408	35,328	35,988	36,872	37,802	38,292
Finance costs	3,694	3,483	4,701	4,139	4,477	4,771	5,167	5,793	5,839	5,902
Other operating funding applications	1,047	1,077	1,101	1,123	1,142	1,159	1,173	1,186	1,198	1,208
Internal charges	14,491	14,276	15,520	16,589	17,451	18,942	19,712	20,655	21,292	22,201
Total applications of operating funding (B)	**50,560**	**50,765**	**54,216**	**55,445**	**57,479**	**60,201**	**62,041**	**64,505**	**66,131**	**67,603**
Surplus (deficit) of operating funding (A-B)	**12,876**	**13,485**	**13,491**	**14,235**	**16,220**	**17,183**	**17,742**	**19,189**	**20,033**	**21,185**
Sources of capital funding										
Subsidies and grants for capital expenditure	500	2,148	1,000	0	0	0	1,500	1,000	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(1,829)	9,222	5,376	(2,541)	(2,983)	(3,628)	(12,703)	(11,851)	(9,317)	(2,615)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**(1,329)**	**11,370**	**6,376**	**(2,541)**	**(2,983)**	**(3,628)**	**(11,203)**	**(10,851)**	**(9,317)**	**(2,615)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	8,185
- to improve level of service	2,160	17,869	11,620	4,964	3,753	4,024	0	159	609	165
- to replace existing assets	9,388	6,986	8,247	6,730	9,484	9,531	6,539	8,178	10,107	10,220
Increase (decrease) in reserves	(0)	(0)	(0)	0	(0)	0	(0)	0	(0)	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**11,547**	**24,855**	**19,867**	**11,695**	**13,237**	**13,555**	**6,539**	**8,338**	**10,716**	**18,571**
Surplus (deficit) of capital funding (C-D)	**(12,876)**	**(13,485)**	**(13,491)**	**(14,235)**	**(16,220)**	**(17,183)**	**(17,742)**	**(19,189)**	**(20,033)**	**(21,185)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	12,503	13,112	13,118	13,862	15,847	16,810	17,368	18,816	19,660	20,812

FUNDING IMPACT STATEMENT
5.2 Community Participation and Support

	2024/25 LTP $000s	2025/26 LTP Amendment $000s	2026/27 LTP Amendment $000s	2027/28 LTP Amendment $000s	2028/29 LTP Amendment $000s	2029/30 LTP Amendment $000s	2030/31 LTP Amendment $000s	2031/32 LTP Amendment $000s	2032/33 LTP Amendment $000s	2033/34 LTP Amendment $000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	53,678	64,706	67,549	70,102	72,204	74,554	75,429	77,748	78,298	79,841
Targeted rates	11,286	12,477	13,088	13,838	14,145	13,966	13,384	13,620	13,792	14,147
Subsidies and grants for operating purposes	161	35	24	24	25	25	26	26	27	27
Fees and charges	22,036	21,993	22,885	23,388	23,879	24,356	24,819	25,290	25,770	26,233
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	52	53	54	55	56	58	59	60	61	62
Total operating funding (A)	**87,212**	**99,264**	**103,600**	**107,407**	**110,309**	**112,958**	**113,717**	**116,744**	**117,947**	**120,311**
Applications of operating funding										
Payments to staff and suppliers	49,458	57,909	54,981	56,963	58,488	59,326	60,084	61,361	62,914	64,205
Finance costs	3,237	4,870	8,510	10,263	12,785	14,193	14,649	15,067	14,850	14,502
Other operating funding applications	11,590	12,734	12,734	8,734	5,734	5,734	5,734	5,734	5,734	5,735
Internal charges	20,936	22,018	26,591	28,578	29,593	31,192	31,360	32,032	32,661	33,814
Total applications of operating funding (B)	**85,221**	**97,531**	**102,817**	**104,538**	**106,600**	**110,445**	**111,828**	**114,194**	**116,159**	**118,255**
Surplus (deficit) of operating funding (A-B)	**1,991**	**1,732**	**783**	**2,869**	**3,709**	**2,513**	**1,889**	**2,550**	**1,788**	**2,055**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	62,178	61,095	71,666	101,470	92,665	89,820	115,553	88,036	55,591	56,015
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**62,178**	**61,095**	**71,666**	**101,470**	**92,665**	**89,820**	**115,553**	**88,036**	**55,591**	**56,015**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	671	701	2,292	2,215	767	0	0	0	0	0
- to improve level of service	2,710	379	86	3,844	3,852	3,860	33,142	28,296	20,501	25,503
- to replace existing assets	60,788	58,604	67,461	95,637	89,182	85,882	81,651	59,369	34,099	29,661
Increase (decrease) in reserves	0	3,145	2,609	2,643	2,574	2,591	2,649	2,921	2,779	2,905
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**64,169**	**62,828**	**72,449**	**104,339**	**96,374**	**92,333**	**117,442**	**90,586**	**57,379**	**58,070**
Surplus (deficit) of capital funding (C-D)	**(1,991)**	**(1,732)**	**(783)**	**(2,869)**	**(3,709)**	**(2,513)**	**(1,889)**	**(2,550)**	**(1,788)**	**(2,055)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**(0)**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	23,249	25,292	27,868	31,018	33,645	35,779	37,212	39,120	40,854	43,561

FUNDING IMPACT STATEMENT

5.3 Public Health and Safety

	2024/25 LTP $000s	2025/26 LTP Amendment $000s	2026/27 LTP Amendment $000s	2027/28 LTP Amendment $000s	2028/29 LTP Amendment $000s	2029/30 LTP Amendment $000s	2030/31 LTP Amendment $000s	2031/32 LTP Amendment $000s	2032/33 LTP Amendment $000s	2033/34 LTP Amendment $000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	3,702	4,749	4,337	4,616	4,829	5,148	5,343	5,576	5,715	5,970
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Fees and charges	4,940	5,039	5,150	5,263	5,373	5,481	5,585	5,691	5,799	5,903
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	107	109	112	114	116	118	121	123	125	127
Total operating funding (A)	**8,749**	**9,897**	**9,598**	**9,993**	**10,318**	**10,747**	**11,049**	**11,390**	**11,639**	**12,001**
Applications of operating funding										
Payments to staff and suppliers	5,361	6,104	5,868	5,993	6,123	6,229	6,348	6,470	6,586	6,694
Finance costs	1	1	1	1	1	1	1	1	1	1
Other operating funding applications	32	32	33	34	34	35	36	36	37	38
Internal charges	3,123	3,534	3,471	3,740	3,935	4,257	4,439	4,657	4,842	5,096
Total applications of operating funding (B)	**8,517**	**9,671**	**9,373**	**9,768**	**10,093**	**10,522**	**10,824**	**11,164**	**11,466**	**11,829**
Surplus (deficit) of operating funding (A-B)	**232**	**226**	**225**	**225**	**225**	**225**	**225**	**225**	**172**	**172**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(232)	(226)	(225)	(225)	(225)	(225)	(225)	(225)	(172)	(172)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**(232)**	**(226)**	**(225)**	**(225)**	**(225)**	**(225)**	**(225)**	**(225)**	**(172)**	**(172)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(0)	(0)	(0)	(0)	0	(0)	(0)	0	0	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**(0)**	**(0)**	**(0)**	**(0)**	**0**	**(0)**	**(0)**	**0**	**0**	**0**
Surplus (deficit) of capital funding (C-D)	**(232)**	**(226)**	**(225)**	**(225)**	**(225)**	**(225)**	**(225)**	**(225)**	**(172)**	**(172)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	11	6	5	5	5	5	5	5	0	0

FUNDING IMPACT STATEMENT

6.1 Urban Planning, Heritage and Public Spaces Development

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	LTP	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment	LTP Amendment
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	17,863	20,237	23,442	22,269	23,181	23,404	23,276	23,965	24,211	20,588
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	1,410	342	0	0	0	0	0	0	0	0
Fees and charges	13,847	14,248	16,167	16,665	17,153	17,660	18,157	18,739	19,277	19,800
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**33,119**	**34,827**	**39,609**	**38,934**	**40,333**	**41,064**	**41,432**	**42,704**	**43,488**	**40,388**
Applications of operating funding										
Payments to staff and suppliers	30,643	41,532	47,598	28,787	29,319	29,709	30,048	31,077	31,290	32,124
Finance costs	12	52	71	43	46	48	52	103	135	159
Other operating funding applications	500	500	500	500	500	500	500	500	500	500
Internal charges	6,250	7,503	7,775	6,328	6,672	7,161	7,461	7,841	8,074	8,479
Total applications of operating funding (B)	**37,405**	**49,587**	**55,944**	**35,657**	**36,537**	**37,418**	**38,061**	**39,521**	**39,999**	**41,262**
Surplus (deficit) of operating funding (A-B)	**(4,286)**	**(14,759)**	**(16,335)**	**3,276**	**3,796**	**3,646**	**3,371**	**3,183**	**3,489**	**(874)**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	8,766	21,184	18,002	3,354	(3,082)	(2,525)	(2,404)	(756)	2,428	3,390
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**8,766**	**21,184**	**18,002**	**3,354**	**(3,082)**	**(2,525)**	**(2,404)**	**(756)**	**2,428**	**3,390**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	3,134	4,150	873	6,299	544	555	565	0	5,500	0
- to improve level of service	1,346	2,275	793	331	170	566	402	2,427	417	2,516
- to replace existing assets	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(0)	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**4,480**	**6,425**	**1,667**	**6,630**	**714**	**1,121**	**967**	**2,427**	**5,918**	**2,516**
Surplus (deficit) of capital funding (C-D)	**4,286**	**14,759**	**16,335**	**(3,276)**	**(3,796)**	**(3,646)**	**(3,371)**	**(3,183)**	**(3,489)**	**874**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	61	39	731	1,228	1,679	1,547	1,330	1,413	1,578	2,032

FUNDING IMPACT STATEMENT
6.2 Building and Development

	2024/25 LTP $000s	2025/26 LTP Amendment $000s	2026/27 LTP Amendment $000s	2027/28 LTP Amendment $000s	2028/29 LTP Amendment $000s	2029/30 LTP Amendment $000s	2030/31 LTP Amendment $000s	2031/32 LTP Amendment $000s	2032/33 LTP Amendment $000s	2033/34 LTP Amendment $000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	12,700	17,192	16,916	18,170	19,057	20,582	21,391	22,390	22,913	24,038
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Fees and charges	21,927	22,381	22,874	23,361	23,835	24,294	24,756	25,226	25,688	26,150
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	6	6	6	6	6	6	6	6	7	7
Total operating funding (A)	**34,633**	**39,579**	**39,795**	**41,537**	**42,898**	**44,882**	**46,153**	**47,623**	**48,608**	**50,194**
Applications of operating funding										
Payments to staff and suppliers	23,222	21,344	21,292	21,743	22,179	22,602	23,038	23,475	23,899	24,314
Finance costs	8	11	19	15	17	19	21	26	26	27
Other operating funding applications	12	12	12	13	13	13	13	14	14	14
Internal charges	13,606	17,085	17,345	18,639	19,561	21,121	21,961	23,001	23,904	25,130
Total applications of operating funding (B)	**36,847**	**38,452**	**38,668**	**40,410**	**41,771**	**43,755**	**45,034**	**46,515**	**47,843**	**49,485**
Surplus (deficit) of operating funding (A-B)	**(2,214)**	**1,127**	**1,127**	**1,127**	**1,127**	**1,127**	**1,119**	**1,108**	**764**	**709**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	60,066	68,773	26,703	(827)	(1,127)	(1,127)	(1,119)	(1,108)	(764)	(709)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**60,066**	**68,773**	**26,703**	**(827)**	**(1,127)**	**(1,127)**	**(1,119)**	**(1,108)**	**(764)**	**(709)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	57,800	69,900	27,830	300	0	0	0	0	0	0
- to replace existing assets	52	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	0	0	(0)	0	(0)	(0)	(0)	0	0	(0)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**57,852**	**69,900**	**27,830**	**300**	**(0)**	**(0)**	**(0)**	**0**	**0**	**(0)**
Surplus (deficit) of capital funding (C-D)	**2,214**	**(1,127)**	**(1,127)**	**(1,127)**	**(1,127)**	**(1,127)**	**(1,119)**	**(1,108)**	**(764)**	**(709)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	82	123	123	123	123	123	115	104	61	6

FUNDING IMPACT STATEMENT
7.1 Transport

	2024/25 LTP $000s	2025/26 LTP Amendment $000s	2026/27 LTP Amendment $000s	2027/28 LTP Amendment $000s	2028/29 LTP Amendment $000s	2029/30 LTP Amendment $000s	2030/31 LTP Amendment $000s	2031/32 LTP Amendment $000s	2032/33 LTP Amendment $000s	2033/34 LTP Amendment $000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	89,407	106,247	127,589	126,835	137,998	150,107	171,298	183,592	181,024	192,505
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	11,852	11,770	12,357	12,339	12,621	12,896	13,185	13,496	13,813	14,127
Fees and charges	3,931	4,011	4,100	4,191	4,280	4,366	4,452	4,537	4,624	4,711
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**105,189**	**122,029**	**144,047**	**143,366**	**154,899**	**167,369**	**188,935**	**201,626**	**199,462**	**211,343**
Applications of operating funding										
Payments to staff and suppliers	47,241	43,581	45,343	45,456	45,780	46,535	47,608	48,678	49,793	51,250
Finance costs	18,008	16,357	29,108	22,812	26,119	28,789	32,632	38,924	39,706	40,390
Other operating funding applications	1,263	1,038	500	3,208	2,667	200	200	200	200	200
Internal charges	12,222	12,452	13,766	14,456	15,186	15,884	16,328	16,998	18,000	19,179
Total applications of operating funding (B)	**78,734**	**73,427**	**88,717**	**85,933**	**89,753**	**91,409**	**96,768**	**104,800**	**107,700**	**111,019**
Surplus (deficit) of operating funding (A-B)	**26,455**	**48,601**	**55,330**	**57,433**	**65,147**	**75,960**	**92,167**	**96,826**	**91,762**	**100,324**
Sources of capital funding										
Subsidies and grants for capital expenditure	66,927	29,021	35,461	49,383	54,212	50,324	44,110	45,388	43,267	44,655
Development and financial contributions	942	942	942	942	942	942	942	942	942	942
Increase (decrease) in debt	47,574	45,502	22,849	(9,391)	(35,169)	(49,350)	(67,596)	(62,893)	(70,112)	(76,239)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**115,444**	**75,465**	**59,252**	**40,935**	**19,986**	**1,917**	**(22,543)**	**(16,563)**	**(25,903)**	**(30,641)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	59,066	740	3,028	6,195	9,732	19,305	7,947	8,689	4,342	8,410
- to improve level of service	45,514	79,919	66,984	50,569	32,695	14,774	16,909	25,060	14,082	12,940
- to replace existing assets	37,319	43,407	44,569	41,603	42,705	43,798	44,767	46,514	47,435	48,333
Increase (decrease) in reserves	0	0	0	(0)	(0)	0	(0)	(0)	(0)	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**141,899**	**124,067**	**114,582**	**98,367**	**85,132**	**77,877**	**69,624**	**80,263**	**65,859**	**69,682**
Surplus (deficit) of capital funding (C-D)	**(26,455)**	**(48,601)**	**(55,330)**	**(57,433)**	**(65,147)**	**(75,960)**	**(92,167)**	**(96,826)**	**(91,762)**	**(100,324)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	54,670	62,716	69,087	74,512	81,441	89,475	105,736	110,511	105,445	114,005

FUNDING IMPACT STATEMENT

7.2 Parking

	2024/25 LTP	2025/26 LTP Amendment	2026/27 LTP Amendment	2027/28 LTP Amendment	2028/29 LTP Amendment	2029/30 LTP Amendment	2030/31 LTP Amendment	2031/32 LTP Amendment	2032/33 LTP Amendment	2033/34 LTP Amendment
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	(14,625)	(14,700)	(14,757)	(14,861)	(14,545)	(14,287)	(14,877)	(15,148)	(15,185)	(14,989)
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Fees and charges	28,591	29,553	30,144	30,809	31,458	32,089	32,700	33,323	33,958	34,572
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	9,486	8,563	8,766	8,967	9,165	9,357	9,544	9,735	9,930	10,118
Total operating funding (A)	**23,452**	**23,417**	**24,152**	**24,915**	**26,077**	**27,159**	**27,367**	**27,911**	**28,703**	**29,701**
Applications of operating funding										
Payments to staff and suppliers	14,899	15,010	15,216	15,601	16,175	16,476	16,850	17,189	17,563	17,960
Finance costs	821	837	837	837	837	837	837	838	838	838
Other operating funding applications	2	2	2	2	2	2	2	2	2	2
Internal charges	5,573	5,064	5,322	5,719	6,052	6,584	6,863	7,180	7,415	7,772
Total applications of operating funding (B)	**21,294**	**20,912**	**21,376**	**22,159**	**23,066**	**23,899**	**24,552**	**25,209**	**25,817**	**26,571**
Surplus (deficit) of operating funding (A-B)	**2,158**	**2,504**	**2,776**	**2,756**	**3,011**	**3,260**	**2,815**	**2,702**	**2,886**	**3,130**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	3,772	(908)	(493)	(842)	(2,075)	(2,074)	(1,784)	(680)	(421)	(1,027)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**3,772**	**(908)**	**(493)**	**(842)**	**(2,075)**	**(2,074)**	**(1,784)**	**(680)**	**(421)**	**(1,027)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	4,714	810	832	871	149	152	155	158	161	163
- to replace existing assets	1,216	786	1,451	1,043	788	1,035	876	1,865	2,304	1,939
Increase (decrease) in reserves	0	0	0	0	(0)	0	0	(0)	(0)	0
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**5,930**	**1,596**	**2,283**	**1,914**	**937**	**1,186**	**1,030**	**2,023**	**2,465**	**2,102**
Surplus (deficit) of capital funding (C-D)	**(2,158)**	**(2,504)**	**(2,776)**	**(2,756)**	**(3,011)**	**(3,260)**	**(2,815)**	**(2,702)**	**(2,886)**	**(3,130)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	1,216	1,562	1,834	1,814	2,070	2,318	1,921	1,808	2,043	2,286

2024-34 LTP Amendment Significant Forecasting Assumptions

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Significant forecasting assumptions

The tables below outline the specific forecasting assumptions to be used in the preparation of the 2024-34 LTP amendment and associated documents. It notes their data source(s), key challenges and risks around the assumption including commentary on how the risk will be managed.

Population

Assumption

The long-term population forecast for Wellington City is growth of between 50,000 to 80,000 over the next 30 years. This is the forecast growth projection that underpins our Spatial Planning.

Year	50th Percentile (median) projection
2023	212172
2024	213269
2025	215128
2026	217102
2027	218932
2028	220658
2029	222647
2030	224449
2031	226226
2032	228252
2033	230057
2034	231463
2035	233550
2036	236056
2037	237845
2038	240286
2039	242918
2040	244952
2041	246215
2042	248706
2043	250022
2044	251758
2045	254252
2046	257294
2047	258790
2048	260445
2049	262237
2050	263400
2051	265573
2052	267534
2053	269452
2054	271288

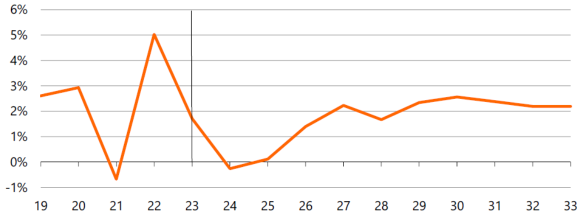
	Projections are the median (50th percentile) projections from Sense Partners The 30-year growth in the table (2023-2053) is approx. 57,000 within a forecast growth range of 50,000-80,000 over the next 30 years. This planning range is at the median growth level up to around the 64th percentile. This assumption reflects the view of Sense Partners and the Wellington Region that a future scenario which assumes a continuation of recent trends and rates of population growth is a more plausible future for the purpose of infrastructure planning. Differential growth rates between different age groups is expected to lead to an aging population over the next 30 years. The biggest impact of the change is expected to be on the 60+ and 20-39 age groups. Residents aged 60+ make up 16.7% of the population in 2023 and are expected to make up 19.7% of the population in 2054. This growth is largely at the expense of an expected decline in the proportion in the 20-39 age group (from 36.7% in 2023 to 32.5% in 2054).		
Data source	Sense Partners		
Level of certainty	Moderate		
Key risks	***Risk*** Underestimation of future growth (e.g. higher than expected net migrations for significant periods).	***Effect of risk*** Higher than expected pressure on council infrastructure & services. 3 Waters and Land transport will likely have the most significant impact with greater demand. Parts of the network(s) that are currently near capacity may breach capacity.	***Mitigation*** Moderate growth accommodated within present service levels. Development contributions help to meet portion of the costs of new or upgraded infrastructure.
	Overestimation of future growth (e.g. migration does not increase to levels we are forecasting (for various reasons including policy settings and relative attractiveness of NZ))	Over investment in the short term but impact short-term if growth continues to meet the level of in	Monitoring of population will occur on a regular basis and changes will be made to infrastructure investment programmes or service levels as required.

Growth in ratepayer base

Assumption	Ratepayer base growth is assumed at 0.77% for year one, then 0.6% p.a. over the remainder of the LTP period.
Data source	Ratepayer base growth is based on current property information from Council valuation service provider (Quotable Value Ltd), historic and forward looking consenting trends and expected population growth assumptions provided by Informed Decisions Ltd.
Level of certainty	Moderate

Key risks	***Risk*** The growth in the ratepayer base is higher or lower than projected.	***Effect of risk*** If growth is higher than forecasted, average rates funding increase will be reduced by an equivalent amount as there is a greater number of ratepayers across which the rates funding requirement will be allocated. If growth is lower than forecasted, the average rates increase for the ratepayer will be higher.	***Mitigation*** We will measure and report on growth in the rating base and review the projections and underlying strategy on a regular basis. Ratepayer growth assumptions are reconfirmed through each Annual Planning exercise and provide the opportunity to adjustment plans based upon updated growth projections.

Economic growth

Assumption	That the Wellington City economy GDP will remain lower than March 2020 levels until 2024. Over the ten years of the Long-term Plan we assume that economic activity reverts to conforming with long-term historic trends of around 2% GDP growth pa, as shown in the chart below. *CHART: Infometrics Wellington City GDP forecast, Jul 23, annual % growth*  		
Data source	RBNZ – Monetary Policy Statement Infometrics *State of Wellington Economy* commissioned report		
Level of certainty	High		
Key risks	***Risk*** Economic growth is lower than forecast. This may be due to factors such as: • the impacts of higher inflation being more severe or lasting longer than anticipated • political change may target public service jobs in Wellington as a way of balancing government's books • competition from the region for housing that limits the City's attractiveness for	***Effect of risk*** Lower levels of economic growth will impact the affordability of Council plans: • ratepayer base growth assumptions will be inaccurate (see later assumption) • the affordability of Council services will be lower for households, businesses and users of services	***Mitigation*** Monitoring of economic trends will occur on a regular basis with an ability to adjust Council plans through Annual and Long-term Planning cycles.

	investment by residential developers • University students continue to study elsewhere		

Climate change - physical impacts on WCC assets

Assumption	Climate change will have physical impacts for the Council (damage to assets and disruption of services) with cascading impacts in the social and economic domains, in line with Ministry for the Environment’s global emissions scenarios as informed by the Intergovernmental Panel on Climate Change (IPCC). Wellington is projected to experience increased risks of coastal storm surge, an increase in hot days, a rise in annual average temperatures, higher frequency and magnitude of flooding events, both exacerbated by sea level rise and increased volumes of water during rainfall events. The financial impact of physical risks to WCC assets is still uncertain. We continue to update known risks and the financial implications of these in WCC's assets management plans and infrastructure planning as we gather better information. Where the physical impacts are already occurring and the financial impacts are known, these costs have been incorporated into WCC asset management plans and infrastructure planning.
Data source	Assumptions are directly informed by 1) Ministry for the Environment’s (MfE) projections for the Wellington and Wairarapa region and GWRC climate change maps; 2) NIWA reports for Wellington City regarding sea level rise and coastal hazards; 3) Table 3 from the MfE Interim Guidance on Sea Level Rise Guidelines informs our base assumptions for planning for the minimum allowances for Sea Level Rise using NZ-wide sea level rise scenarios. For detailed guidance please refer to the full Guidelines.
Level of certainty	Medium – while there is certainty on the direction of change, there is uncertainty as to the speed at which the climate and related risks will change.

Key risks	***Risk***	***Effect of risk***	***Mitigation***
	That climate change impacts (sea level rise, coastal inundation, and more frequent and severe extreme weather events) may occur faster or slower than planned for.	If physical impacts happen slower than assumed, then the investments we are planning in this LTP for increasing our resilience to extreme weather may be delivered earlier than required. The impacts of this are likely to be short-term as sea levels are projected to continue rising over the longer-term. If physical impacts happen faster than assumed then we will have increased levels of service interruption, including to	Council’s Te Atakura Strategy outlines various activities to reduce carbon emissions, and to adapt to the impacts. Identifying, reviewing, and disclosing our climate-related financial risks and opportunities continues to be a work programme informing key climate related decisions impacting our investments both in near- longer-term. We have put in place an internal Te Atakura strategy reference group to monitor and report progress against Te Atakura.

		storm water and transport services.	

Climate change - commitment to climate action (transitional risk)

Assumption	There will be continued commitment from residents, businesses and central government to the climate actions required to meet local and national greenhouse gas emissions related targets and improve resilience to climate change impacts.		
Data source	Current attitudes: WCC's "Residents Survey on Climate Change" • 86% of respondents believed that we needed to act now to start reducing Wellington's carbon emissions, with over half of the opinion that we should make significant reductions straight away. • 60% of respondents are "not at all confident" that enough action is being taken to prepare Wellington for the impacts of climate change. • Local and central government are the top two ranked for who is responsible for climate change response.		
Level of certainty	Medium - Wellingtonians support for climate action has been consistent over many years and is likely to continue, particularly with media coverage of recent extreme weather events. Central government funding, financing and regulatory mechanisms to support local government climate change response is not as certain and has varied over the past two decades.		
Key risks	***Risk*** That support for climate action may be higher or lower than we anticipate.	***Effect of risk*** If climate action support reduces then we may not support the city's transition of its social, economic and physical systems fast enough to minimise both physical impacts and transition impacts on residents and local businesses. If climate action support increases, then we may be subject to litigation or reputational risk for not supporting the city to take a higher level of action.	***Mitigation*** Council's Te Atakura Strategy outlines various activities to engage with and inform Wellingtonians on climate change impacts and potential responses, to make climate change relatable and local. This includes reporting on progress of the City and Council towards Te Atakura goals, and the contribution towards those goals of the activities outlined in the Strategy. We have also put in place an internal Te Atakura strategy reference group to monitor progress against Te Atakura.

Inflation

Assumption

Inflation rates have been estimated using the BERL Forecasts of Price level Change Adjustors 2024 final update for 2027 onwards. For 2026, LTP inflation rates have been retained with any differences between the LTP and updated BERL rates absorbed as a cost saving measure.

We also assume that the Reserve Bank will use monetary controls to keep CPI within the 1.5 percent to 3 percent range.

Cost adjustors

Adjustors %	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	20 yr av
Planning and regulation	2.7	2.7	2.6	2.3	2.2	2.1	2.0	2.0	1.9	2.6
Roading	3.0	3.1	3.0	2.7	2.6	2.5	2.4	2.4	2.2	2.8
Transport	2.9	2.9	2.7	2.5	2.4	2.3	2.2	2.1	2.0	2.7
Community Activities	3.0	2.9	2.7	2.5	2.4	2.3	2.2	2.1	2.0	2.7
Water and Environmental Management	2.5	2.8	2.5	2.1	2.0	2.0	2.0	2.0	2.0	3.0

Council HR cost adjustor – 2026 adjustors are based on multiple factors (e.g. union negotiations and living wage) and do not reflect BERL indices.

Interest revenue – forecast to remain constant. Interest rates do not increase annually in line with rates of inflation.

Data source	***Inflation rates applied –*** Inflation rates have been estimated using the BERL Forecasts of Price level Change Adjustors 2024 final update. We also assume that the Reserve Bank will use monetary controls to keep CPI within the 1.5% to 3% range. Inflation is affected by external economic factors, many of which are outside of the Council’s control and influence.		
Level of certainty	Low At a high level our BERL’s methodology creates a “basket” of goods that local authorities purchase, as measured by producer price input indices. The model behind the forecasts utilises a process based on past observations of a given variable to explain present and forecast future observations. This process means that uncertainty in early forecast periods ripples through later forecast periods and is amplified as it does so.		
Key risks	***Risk*** That actual inflation will be significantly different from the assumed inflation.	***Effect of risk*** The Council’s costs and the income required to fund those costs will increase by the rate of inflation unless efficiency gains can be made. Where efficiency gains can’t be made, the higher costs has an impact on rates revenue required leading to affordability issues for ratepayers. The first few years of the forecasted cost adjustors are reasonably likely, however the latter period are only indicative.	***Mitigation*** Annual review through the annual plan process.

		A 1% increase in inflation would increase annual operating expenditure by $8m (based on annual operating costs of $800m) and capital expenditure by $4m (based on an annual capital budget of $400m).	

Interest rates- cost of borrowing

Assumption

The Council borrowing rates for debt will change as per the table below.

	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
Effective Interest Rate	3.75%	3.94%	3.80%	4.07%	4.32%	4.64%	5.24%	5.34%	5.53%

Data source

Assumption reflects Council actual borrowing rates along with forecast rates based on hedging position and range of economic forecasts.

Level of certainty

High - There is relative higher levels of certainty over short-term borrowing rates for Council debt in the short term given hedging policies. Longer-term, certainty levels are lower as interest rates are subject to wide range of factors

Key risks

Risk	***Effect of risk***	***Mitigation***
That interest rates will differ significantly from those estimated. That interest rates will fluctuate significantly.	Based on Council's hedging profile, a 0.1 percent movement in interest rates will increase/decrease annual interest expense by between $800,000 and $1,900,000 per annum across the 10-year period of this plan. The impact of this annual amount (discussed above) would translate to potential 0.2% – 0.4% rates increase.	Interest rates are largely driven by factors external to the New Zealand economy. The Council manages its exposure to adverse changes in interest rates through the use of interest rate swaps. At any time Council policy is to have a minimum level of interest rate hedging equivalent to 50 percent of core borrowings.

Asset revaluations

Assumption

Assumed growth in asset values are outlined in the table below. Growth in Council asset values are key drivers of forecasting increasing capital investment and depreciation.

For the purpose of the financial model, all assets are revalued annually for depreciation purposes in order to reduce the distraction of year-on-year peaks and troughs in revenues and expenditure that are generated by these revaluations.

	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
Buildings	5%	5%	5%	5%	5%	5%	5%	5%	5%
Three Waters & Treatment Plants	6%	6%	6%	6%	6%	6%	6%	6%	6%
Roading	4%	4%	4%	4%	4%	4%	4%	4%	4%
Library Collections	2%	2%	2%	2%	2%	2%	2%	2%	2%

Depreciation and revaluation of property, plant, and equipment (including water and transport assets)

Financial forecasts in this Long-Term Plan include a 3-yearly estimate to reflect the change in asset valuations for property, plant, and equipment in accordance with the Council's accounting policies.

Council's policy is to value assets triennially, and each year a different category is valued by an independent valuer. The valuation timetable is as follows:

- Operational land and buildings 30 June 2026, 2029 & 2032
- Infrastructure land 30 June 2025, 2028 & 2031
- Infrastructure assets 30 June 2025, 2028 & 2031
- Three waters 30 June 2024, 2027 & 2030

The following assumptions have been made for this LTP:

- The Council will continue its policy of fully funding depreciation which is affected by asset revaluations except for Three Waters assets, and assets we do not expect to replace at the end of their useful lives.
- The value of non-depreciable assets (such as land) is forecast to remain constant

Data source

Asset revaluation assumptions are based off historical revaluation increases and estimates.

Level of certainty

Medium – the medium level of uncertainty on how Council asset values will change over time related to the currently high inflation impacting input / construction costs.

Key risks

Risk	***Effect of risk***	***Mitigation***
Assets are under/overstated and therefore the balance sheet does not reflect accurately the value of Council owned assets. Depreciation based on incorrect valuations will mean that too much or too little revenue is collected to cover costs of renewal over time.	Asset value growth at higher rates than assumed will lead to increasing pressure on rates and borrowing levels. This risk has impacted the Council's planning in recent years as asset value growth has exceeded budgeting assumptions. Asset value growth also impacts the depreciation expense and the rates revenue required. If mitigations for this increase are not possible, then higher rates increases and impacts ratepayer affordability may result.	As well as regular revaluation of assets as part of the normal accounting and annual reporting process there is a high level review of asset values undertaken on an annual basis. The LTP yearly budgets are inflated by forecast inflation for the particular assets in question, based on independent professional advice. In each annual plan following the LTP year, depreciation and asset values are adjusted for new assets, and any actual revaluations. In non-revaluation years an assessment is made as to whether asset values may have moved significantly and therefore whether an out of cycle revaluation is appropriate. Depreciation is adjusted annually to reflect the above adjustments to asset values

Waka Kotahi NZ Transport Agency subsidies

Assumption	That recent reductions in the number of Transport projects funded by Waka Kotahi NZ Transport Agency funding assistance rate (FAR) subsidy will remain in place in the short term, before returning to the previous FAR subsidy rates in and will be funded through the next LTP 2028. The overall average for FAR is 51%. Waka Kotahi NZ Transport Agency funds specific programmes of work and agrees 3-year funding envelopes across such items as maintenance operations and renewals and low cost/low risk programme, as well as funding for specific roading projects.		
Data source	The Waka Kotahi business case model is administered nationally and is the mode of operation for the operations, maintenance, renewals and new capital investment. The model is mature and is the national delivery framework.		
Level of certainty	Medium - Whilst there has been a recent shift in the level of funding some projects such as those delivered under our Bike Network Plan and some resilience and safety projects, The FAR is likely to stay around 51% maintenance and renewals. Funding decisions for maintenance, renewal and new safety and resilience programmes of work have been finalised for 2026 and 2027 .		
Key risks	***Risk*** Changes to Waka Kotahi NZ Transport Agency road prioritisation may impact on future funding. Total funding levels may be less than assumed in the LTP.	***Effect of risk*** If the actual funding from Waka Kotahi NZ Transport Agency is significantly less than forecast, the Council will need to look for alternative funding through rates or borrowings and this may limit the viability of some projects. If the project does not proceed, this may have impacts on the level of service of lower risk roads. If the returns were greater then Council would have additional revenue above forecasts. A 5-percentage point change in the level of NZTA subsidy over our transport programme would represent approximately $3.3m increase or decrease in revenue each year.	***Mitigation*** Retain an agile approach to changing GPS & FAR Rates. Maintenance of a positive relationship with Waka Kotahi NZ Transport Agency allows frequent communication and the awareness of issues in advance. Ensure Annual Plan and LTP are updated to reflect any changes.

Three Waters Legislative Reform

Legislative process

Assumption

Local Water Done Well is the Coalition Government’s plan to address New Zealand’s long-standing water infrastructure challenges.

The Local Government (Water Services) Bill establishes the enduring settings for the new water services system. The objectives of the Bill are to ensure water services are safe, reliable, environmentally resilient, customer responsive and delivered at the least cost to consumers and businesses.

The Bill was introduced to Parliament in December 2024. It reflects key policy decisions announced by the Government in August 2024. The Bill sets out key details relating to the water services delivery system, the economic regulation and consumer protection regime for water services, and changes to the water quality regulatory framework.

It provides for:

- Arrangements for the new water services delivery system, including:
- Structural arrangements for water services provision such as establishment, ownership, and governance of water organisations
- Operational matters such as arrangements for charging, bylaws, and management of stormwater networks
- Planning, reporting, and financial management
- A new economic regulation and consumer protection regime based on the existing economic regulation regime in Part 4 of the Commerce Act which currently applies to electricity lines services, gas pipeline services, and airport services.
- Changes to the water quality regulatory framework and the water services regulator, including:
    - Changes to the Water Services Act 2021 to reduce the regulatory burden of the drinking water quality regime and improve proportionality in the application of regulatory powers.
    - A change in approach to Te Mana o te Wai
    - A new single standard for wastewater and stormwater environmental performance.

The LTP amendment will be finalised prior to the completion of the legislative process being completed which creates a level of uncertainty as to the final transition arrangements.

The financial sustainability of a water service organisation is based on sufficient revenue, ringfencing to fund investment and funding for growth. Five Councils in the Wellington metro area are looking to address water reform through the establishment of a jointly owned Water Services Council Controlled Organisation. Wellington City Council are also exploring the possibility of establishing a sole council Water Services Council Controlled Organisation, should the multi council model not proceed and/or WCC withdraws.

Data source

Add legislation details

Level of certainty	High – The Government has introduced the relevant legislation to the House and the discussions and planning for a multi council Council Controlled Organisation model are advanced.		
Key risks	***Risk*** Future changes to water service delivery due to changes to 'Local Water Done Well' legislation before enactment could create change to Wellington City Council's long-term plans as new service delivery models and financing tools or new rules for water services and infrastructure investment are developed	***Effect of risk*** . Any changes to waters infrastructure structure and funding is likely to have significant impact on Wellington City Council's long-term plan.	***Mitigation*** Maintain visibility of Government's water services policy development and the progress with other councils in our region to progress the development of a new regional Water Services Delivery model. Significant changes created through amendments to legislation is likely to require decision making through a future long-term plan process or long-term plan amendment process.

Future Structure of 3 Waters

Assumption	The delivery of all 3 Waters related Operating activities and assets will transition to a Council Controlled Organisation .		
Data source	LTP&F Committee meeting, 11 December 2024.		
Level of certainty	Moderate – While Wellington City Council's preferred options are a 3 Waters Water Services Delivery Entity, either jointly with other Wellington metro Councils, or a Wellington City Council only Water Services Delivery Entity, it is possible final legislation may require Councils to retain responsibility for Storm Water Infrastructure.		
Key risks	***Risk*** Changes in legislation or Wellington City Council Water Services Delivery Plan could result in responsibility for Storm Water Infrastructure and operations remaining with Council, and a 2 Water entity being established.	***Effect of risk*** Any changes to waters infrastructure structure and funding is likely to have significant impact on Council's long-term plan	***Mitigation*** Maintain visibility of Government's water services policy development and the progress with other councils in our region to progress the development of a new regional Water Services Delivery Water Services Delivery Entity model. Significant changes created through amendments to legislation is likely to require decision making through a future long-term plan process or long-term plan amendment process

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Transition Date

Assumption	That 3 Water operating activities, assets, revenue and liabilities will transition to the new Wellington metro council Council Controlled Organisation on 1 July 2026 at which time the current agreement with Wellington Water Limited will also be terminated.		
Data source	Wellington Regional Advisory Oversight Group meeting papers 13 December 2024		
Level of certainty	High – The Government has introduced the relevant legislation to the House and the discussions and planning for a multi council CCO model are advanced.		
Key risks	***Risk*** A delay in the transition date would result in Wellington City Council retaining ownership of 3 Water assets for longer than anticipated. It would also necessitate extending funding and management agreements with Wellington Water Limited to maintain 3 Waters delivery.	***Effect of risk*** Any changes to waters infrastructure transition timing is likely to have significant impact on Wellington City Council's long-term plan.	***Mitigation*** Maintain visibility of the progress with other councils in our region to progress the development of a new regional Water Services Delivery Entity model. Significant changes to the proposed operating model is likely to require decision making through a future long-term plan process or long-term plan amendment process

Operating and Capital Activities Transfer

Assumption	That all 3 Water operating activities and capital projects will transfer to the New Water Services Delivery entity, and the current operating agreements with Wellington Water Limited will be terminated.
Data source	
Level of certainty	Moderate – While Wellington City Council preferred options are a 3 Waters Water Services Delivery Entity, either jointly with other regional Councils, or a Wellington City Council only Water Services Delivery Entity, it is possible final legislation way require Councils to retain responsibility for Storm Water Infrastructure.

Key risks	***Risk*** Changes in legislation or Wellington City Council Water Services Delivery Plan could result in responsibility for Storm Water Infrastructure and operations remaining with Council, and a 2 Water entity being established. This could necessitate extending funding and management agreements with Wellington Water Limited to maintain Storm Waters delivery.	***Effect of risk*** Any changes to waters infrastructure transition structure is likely to have significant impact on Council's long-term plan	***Mitigation*** Maintain visibility of the progress with other councils in our region to progress the development of a new regional Water Services Delivery model. Significant changes to the proposed operating model is likely to require decision making through a future long-term plan process or long-term plan amendment process

Asset Transfer

Assumption	That all 3 Waters assets will be vested in the established Water Services Delivery Entity at the 30 June 2026 Book Value. Any costs relating to these assets will be transferred to the new Water Services Delivery entity.		
Data source	None		
Level of certainty	High – the regional model Water Service Delivery Plan is well progressed		
Key risks	***Risk*** That the approach to asset transfers is changed to a sale and purchase approach.	***Effect of risk*** A change in approach would materially impact Wellington City Council's Prospective Financial statements.	***Mitigation*** Maintain visibility of the progress with other councils in our region to progress the development of a new regional Water Services Delivery model.

Debt Repayment

Assumption	That the transfer of 3 Waters Activities and assets will not compromise Wellington City Council's ability to maintain debt to revenue ratios and to repay 3 Waters related debt on 1 July 2026. Wellington City Council will transfer all debt to the Water Services Delivery Entity on 1 July 2026 with revenue received to facilitate the repayment of Wellington City Council debt.
Data source	None
Level of certainty	Moderate - Wellington City Council has resolved to only join a Regional Water Services Model if agreement is reached on debt transfer.

Key risks	***Risk*** It is possible that the new Water Services Delivery Entity will not provide sufficient revenue to enable Wellington City Council to repay all 3 Waters related debt.	***Effect of risk*** Insufficient revenue to repay 3 Waters related debt will impact on Wellington City Councils ability to borrow sufficient funds to maintain insurance and emergency funding headroom and fund the Capital Programme..	***Mitigation*** Wellington City Council has resolved to only join a Regional Water Services Model if agreement is reached on debt transfer. Failure to reach such an agreement will likely result in the establishment of a Wellington City Council only entity where greater certainty exists.

Rating Assumption – Collection of Water Rates

Assumption	That Council will not collect any Rates relating to 3 Waters from 1 July 2027.		
Data source	None		
Level of certainty	Moderate – the regional model Water Service Delivery Plan is well progressed		
Key risks	***Risk*** Wellington City Council could be required to collect 3 Waters Rates on behalf of the Water Services Delivery Entity beyond 1 July 2027	***Effect of risk*** Material impact on prospective Cashflow Statement Additional administrative burden to process rates payments	***Mitigation*** Wellington City Council already has systems and processes in place for collecting rates and levies on behalf of third parties

Other forecasting assumptions

Resource consents

Assumption	Conditions for existing resource consents held by the Council will not be significantly altered. Any resource consents due for renewal during the 10-year period of this plan will be renewed accordingly and this will not have a significant impact on timing.		
Data source	Great Wellington Regional Council is consenting agent for these matters https://www.gw.govt.nz/		
Level of certainty	Moderate- there is some uncertainty around consenting conditions for the renewal of some Council consents: • Landfill consents expire in 2026. Given the Southern Landfill consenting conditions are substantially about the management of leachate, there is a likelihood that conditions will be substantially more rigorous. • Contaminated Soil - Retrospective consent for the disposal of contaminated soil on Stage 2, specifically, discharge of contaminants to water and to land where they may enter water. • Sludge minimisation plant: have obtained all resource consents required for construction (list and IDs available if required). Outline Plan Report accepted by WCC so the Change of Designation process required for the operational authorization of the plant is complete. Construction is under way and currently progressing well for a 2026 completion.		
Key risks	***Risk***	***Effect of risk***	***Mitigation***
	Conditions of resource consents are altered significantly.	The financial effect of any change to resource consent requirements would depend upon the extent of the change.	Generally, the Council considers that it is fully compliant with existing resource consents. Changing consenting conditions will be inputs into planning individual projects- for example in the scoping of any landfill or sludge minimisation investment.
	That significant delays to projects are experienced due to the resource consent process.	Delays to projects may have material cost implications.	
	The Council is unable to renew existing resource consents upon expiry	Failure to renew existing consents, or a significant change in requirements could result in the Council needing to spend additional funds to enable compliance.	Budget revisions will take place where there are anticipated changes to consent requirements.

Sludge minimisation facility and collection of levy

Assumption	The sludge minimisation facility will be a Council asset; however, the funding does not sit on Council's balance sheet. The FSPV which is not controlled by WCC will provide funding of up to $400 million for the construction of the facility. In July 2024, the Council will be introducing a new sludge levy to fund the cost of the new Moa Point Sludge Minimisation Facility. This was approved under the Infrastructure Funding and Finance Act 2020 (IFFA). We consulted on this option through 2021/2022 and received support from the New Zealand Government (Cabinet and the Minister of Housing) in August 2023. We are collecting the levy on behalf of the special purpose vehicle owned by Crown Infrastructure Partners.

Data source	Infrastructure Funding and Financing Funding and Administration Agreement (IFFFAAA)		
Level of certainty	Medium		
Key risks	***Risk*** Construction costs and timeline deviate materially from the current estimates and the requirements of the IFFFAAA.	***Effect of risk*** Where cost escalations occur, the funding (over and above that allocated from IFF) will need to be provided from Council's already constrained balance sheet. Where there are significant delays in delivery of the project, at a minimum, Council will be in breach of resource consents and may have to consider costly alternatives to the one provided for by the SMF. If cost escalations occur this will require the Council to borrow more debt to be paid back over the life of the facility.	***Mitigation*** The construction contract includes a Liquidated Damages (LD) mechanism, agreed with the construction partner, which will apply if late completion was to occur. Robust contract management and proactive risk identification, mitigation and management, closely monitored through appropriate Governance mechanisms is in place. In addition to the LD regime the construction contract includes mechanisms to support and enable compliance with the required programme for example early procurement of items critical to programme.

Cost of carbon

Assumption

Council assumes that the cost of carbon will inflate over the coming years as per the table below.

Table 1: Estimated Forecast Cost of a NZU from 2025 to 2034

Assumption: We have used the market forward contract last/fix price for NZUs for April 2025 to April 2028 in Table 4. For the 2029 to 2034, we have assumed that the cost of an NZU continues to increase, at 7.8% per year (based on the average increase in the market forward contract last/fix price for NZUs from April 2025 to April 2028).

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	$80.95	$86.82	$93.12	$99.90	$107.69	$116.09	$125.15	$134.91	$145.43	$156.77

This assumption directly informs the carbon unit costs related to the Southern Landfill. More broadly the growing cost of carbon will have implications on the investment profile of individual projects and design of Council services, these impacts will be considered through the establishment of frameworks the Council will use in future project investment analysis and service review.

Data source	**Price ceiling and price floor** The Climate Change Commission provided advice to government that has been accepted, to set a trigger price for the release of additional units into the market. This in effect acts as a price ceiling. The Commission also advised on the minimum price the govt can set in an auction of units. While the market price can sit below this, it is likely that this sets the price floor, and the forward contract prices are all sitting above this auction price, lending weight to this assumption.

Table 2: Climate Change Commission’s Recommended Cost Containment Reserve from 2024 to 2028.

	Fixed and cannot be changed		Updated recommendations		
Cost containment reserve	2024	2025	2026	2027	2028
Trigger price, including inflation	$91.61	$103.24	$205.00	$215.00	$226.00

Reference: He Pou a Rangi Climate Change Commission | Advice on NZ ETS unit limits and price control settings for 2024-2028

Note: The Climate Change Commission states: “Our advice is that significantly higher trigger prices are justified to put them well outside where the market may need to operate to be consistent with meeting emissions budgets. We judge it unlikely that any potential magnet effect would be sufficiently strong to cause prices to rise to that level.”

Table 3: Climate Change Commission’s Recommended Auction Reserve Price from 2024 to 2028.

Auction reserve price	**Fixed and cannot be changed**		**Updated recommendations**		
	2024	2025	2026	2027	2028
	$35.90	$38.67	$72.00	$75.00	$79.00

Reference: He Pou a Rangi Climate Change Commission | Advice on NZ ETS unit limits and price control settings for 2024-2028.

Table 4: Market forward contract last/fix price for NZUs for April 2025 to April 2028.

Contract	Last/Fix (Forward Contracts as of 15 September 2023)
NZUs – April 2024	$75.47
NZUs – April 2025	$80.95
NZUs – April 2026	$86.82
NZUs – April 2027	$93.12
NZUs – April 2028	$99.90

Reference: Carbon News NZ, website accessed September 15th 2023.

Level of certainty

Moderate – The certainty of the cost estimate for a NZU is moderate. A range of factors including the pace of technological change and level of economic activity could significantly affect both the medium and long-term trend and year on year costs.

Key risks

Risk	*Effect of risk*	*Mitigation*
That actual increase in NZU price will be significantly different from the assumed increase, contributing to ETS costs at the landfill and underlying inflation of input fuel costs to Council.	The Council’s direct NZU costs (through our ownership of Southern Landfill) and indirect NZU costs (through our use of natural gas, petrol and diesel) could be higher than forecast. For example, at the landfill our current liability is forecast to increase by roughly a third by 2028, however govt settings would allow the cost to increase by 300%.	Annual review of the budget through the annual plan process. We also have projects in place under our Te Atakura climate action strategy to minimise our exposure to the price of carbon: better methane capture and destruction technology at the landfill; diversion of organic matter from the landfill; removing natural gas (also known as “fossil gas”) used for heating indoor spaces and water heating from Council owned buildings including our pools; and converting our vehicle fleet and equipment to electricity.

Significant Asset Lifecycles

Assumption

The estimated useful lives of significant assets will be as shown in the Statement of Accounting Policies. The asset life of key assets (three waters and transport is included below). The majority of the significant assets will continue to be revalued every three years. It is assumed that assets will be replaced at the end of their useful life. Ranges in average ages relate to the variability of component parts of assets and changing material and design of assets over time.

Key Asset – Pipes	Asset life in years	Asset life from 2022 3W Valuation
Water pipes	50-95	40-128
Water reservoirs	40-100	90-117
Water pumping stations	20-100	100-104
Sewer pipes and tunnels	60-110	60-128
Sewer pumping stations	20-80	100
Stormwater pipes	50-130	40-130
Stormwater pump stations	20-100	100

Key Asset – Roads	Asset life in years	Asset Life from 2022 Transport Assets Valuation
Surface	10	6-50
Base	50	35-40
Bridges	80	95-105
Footpaths	20-50	15-50
Retaining walls	50-75	35-80
Sea walls	80-100	100
Kerbs and channels	70-120	10-60

It is also assumed that:

- the majority of the significant assets will continue to be revalued every 3 years.
- assets will be replaced at the end of their useful life.
- planned asset acquisitions (as per the capital expenditure programme) shall be depreciated on the same basis as existing assets.

Data source

Assumptions of asset lives are informed by guidance on the Useful Life of Infrastructure from the NAMS Council and Council actual condition information of assets.

Level of certainty

Mixed – The level of certainty of useful lives of assets ranges across different asset types. Underground assets that are not easily accessible have lower levels of confidence on their current condition and therefore expected remaining useful lives

Key risks

Risk	***Effect of risk***	***Mitigation***
That assets wear out earlier or later than estimated.	Depreciation and interest costs would increase if capital expenditure was required earlier than anticipated. The financial effect of the uncertainty is likely to be immaterial. In the event that useful lives are overestimated, renewals would fall earlier than anticipated. This would result in additional capital expenditure earlier than anticipated, impacting depreciation and interest costs. Conversely, in the event that useful lives are underestimated, we will forecast a higher renewal programme of capital expenditure than necessary.	Generally, we have the ability to prioritise work programmes should assets wear out earlier or later than estimated. In addition, we are continuously improving data integrity on our assets. We are actively investing in improving the quality of asset condition information including of our three waters assets, to reduce the likelihood of this risk.

		This could also result in the overcollection of depreciation in the earlier years of an assets life. The likely financial impact of this is minor.	

Ability to deliver capital programme

Assumption	We assume that there will be market capacity to deliver our planned capital programme. This will be supported by careful programme planning, investment in internal capability, including that of Wellington Water.		
Data source	N/A		
Level of certainty	Moderate – There is always an inherent level of risk in delivering a capital programme. Although we have plans to manage this risk there remains uncertainty. In the short-term this is linked to significant cost escalation of labour and materials. In the longer-term this relates to the ability of the supplier market to respond to regional investment and demand on infrastructure service providers.		
Key risks	***Risk*** That our capital programme is not able to be delivered as planned.	***Effect of risk*** If we are unable to deliver the planned capital programmes, then the benefits of investment will be delayed. For projects aimed at enabling growth, this could constrain the pace of growth. There will also be delays to our planned capital expenditure profile with flow on impacts on borrowing and operating expenditure projections.	***Mitigation*** Regular monitoring of our capital programme progress, and adjustments to plans through the formal Annual Planning process. Strong procurement processes ensuring the market can respond positively to opportunities. Careful programme planning and monitoring, investing in internal capability, including that of Wellington Water Limited. If unable to deliver the capital programme, Council will prioritise renewals work (to prevent asset failure and resulting service interruptions) and critically review the planned capital upgrade work programme including identifying opportunities for deferral of works.

Level of service

Assumption	For this 10-year plan we assume that the current demand for Council services and customer expectations regarding business as usual levels of service will not significantly change during the planning period beyond what is specifically planned for and identified in this 10-year plan. As a result it is assumed that there will be no significant additional impact from level of service changes on asset requirements or operating expenditure.
Data source	N/A

Level of certainty	Low – it is highly likely that demand for Council service levels will change to some degree over the course of the next ten-years, however these changes are not currently predictable and as such not about to be built into the underlying assumptions of this long-term plan.		
Key risks	***Risk*** That there are significant changes in residents' demand for services or levels of service beyond those planned in this plan.	***Effect of risk*** If residents begin to expect a higher level of service than planned, then either Council will face unbudgeted additional cost to meet that higher level of service, or Council will be unable to meet changed resident expectations and would see a decrease in residents' satisfaction with Council services.	***Mitigation*** The Council has defined service levels for its planned activities, which have been reviewed as part of the 10-year plan process. The regular 3 year Long-term Planning cycle provides the opportunity for service levels to be regularly reassessed for changes in demand.

Vested Assets Received

Assumption	No vesting of assets into Council ownership is forecasted across this ten-year plan.		
Data source	N/A		
Level of certainty	Low		
Key risks	***Risk*** That there will be assets vested thereby increasing the depreciation expense in subsequent years.	***Effect of risk*** The level of vested assets fluctuates considerably from year to year and is unpredictable. The recognition of vested assets revenue in the Statement of Financial Performance is non-cash in nature and has no impact on rates. The financial effect of the uncertainty is assessed as low.	***Mitigation*** Annual review of the budget through the annual plan process.

Funding sources - asset divestment

Assumption	That some assets, including long-term ground leases for multiple sites will be divested. Any proceeds forecasted from asset divestment will be reinvested in accordance with our Treasury Management Policies unless otherwise directed by Council resolution.
Data source	
Level of certainty	High – When considering the sale of ground leases it is important to consider: • Where the ground lease sits within the 21-year cycle • Ground lessees' ability to make an acceptable offer • Impact on the parcel of land that the ground lease sits on • Revenue stream that the ground lease provides • Potential revenue from the sale of the ground lease

Key risks	***Risk*** That the sale proceeds and rate of return is not achieved and/or we are unable to find buyers.	***Effect of risk*** If the sale of long-term ground leases a are delayed or at a lower value, this may impact Council's debt position and may lead to a breach of the proposed debt to revenue limits. This would also reduce the amount available to invest in the Perpetual investment fund.	***Mitigation*** Council's Annual Planning process will review this assumption.

Development Contributions

Assumption	Revenue from Development Contributions is not materially different from that forecast in the LTP.		
Data source	N/A		
Level of certainty	Moderate – the level of Development Contribution revenue is broadly in line with actual levels of revenue over the previous three financial years. This LTP includes a review of the DC policy and supporting processes. The impact of the review will follow the adoption of the LTP.		
Key risks	***Risk*** The level of development contributions collected and the timing could result in insufficient income to cover the costs of required growth infrastructure.	***Effect of risk*** If the level of development contribution income is less than forecasted, this would mean the debt is not paid off as quickly as planned, and therefore interest costs relating to this debt would be marginally higher than planned	***Mitigation*** Council's Annual Planning process provides a process whereby reprioritisation of budget can be undertaken.

Availability of insurance

Assumption	The Council will maintain or increase its current level of insurance from all sources. This may include introduction of new sources. Council can currently fund 32% of the 1-1,000 year earthquake loss estimate.		
Data source	Earthquake is considered to be the largest single risk for the Council asset portfolios. Earthquake loss estimates are used to assess the risk to the portfolio, subsequently informing strategic decisions to manage risk. The data for a 1-1,000 year event loss informs the amount of risk funding required and the excess risk accepted by Council. Loss estimates are modelled by Aon and GNS – refer to earthquake risk assumption below.		
Level of certainty	Low - traditional insurance capacity is increasingly squeezed as values, inflation and claims are elevated. Availability of alternative risk funding is currently unknown but under investigation.		
Key risks	***Risk*** That the financial loss to the assets in a major event is significantly greater than estimated.	***Effect of risk*** An inability to adequately fund the assumed risk or actual losses exceeding estimated loss would mean	***Mitigation*** The assumptions that drive the 1-1,000 year loss estimates will be updated using the new NSHM(2022) to ensure up-to-

	That the increasing costs of holding insurance exceeds available budget.	that not all assets would be able to be repaired or replaced post a significant earthquake event. Meeting increasing costs of insurance to maintain coverage would have direct impacts on rates and fees and user charges. The chosen mix of risk funding methods does not meet Council's needs. Every additional $10m of insurance cover has less than a 2% impact on rates.	date asset information is understood. Incorporating resilience measures into our loss estimates will increase the certainty around the level of risk funding required. e.g. buildings that are base isolated and unlikely to take material damage. Council has prioritised resilience work in all asset portfolio's within the capital programme. Council Officers will also work on the “Insurance Roadmap”, which aims to instate alternative risk funding methods and improve Council’s post event outcomes. The Roadmap identifies a 3-6 year timeframe to fully understand and begin implementation of new strategies.

Local Government Funding Act - Deed of Guarantee

Assumption	Each of the shareholders of the LGFA is a party to a Deed of Guarantee, which provides a guarantee on the obligations of the LGFA and the other participating local authorities to the LGFA, in the event of default. Council assumes no default event occurring during this Long-Term Plan.		
Data source	N/A		
Level of certainty	High – Given the LGFA structure and the conservative nature of the financial covenants they place on all Councils, the level of certainty that there will not be a default event during the period of the LTP, in Council’s view, is high. The likelihood of a local authority borrower defaulting is extremely low and all of the borrowings by a local authority from the LGFA are secured by a rates charge.		
Key risks	***Risk*** In the event of a default by the LGFA, each guarantor would be liable to pay a proportion of the amount owing. The proportion to be paid by each respective guarantor is set in relation to each guarantor’s relative rates income.	***Effect of risk*** Payment would be required by Wellington ratepayers for the relevant amount in default, for the most part via equity investments already held on behalf of Council by the LGFA	***Mitigation*** The structure and makeup of the LGFA through the foundation documents sets out the protections and processes of guarantees and defaults. The LGFA Risk management committee, reporting framework, key performance indicators and variance at risk all mitigate the risk eventuating. Council also maintains conservative internal policies to ensure we are not the council at risk of default. This is

			demonstrated in our recently reaffirmed AA+ rating from S&P.

Renewal of existing funding

Assumption	It is assumed that the Council will be able to renew existing borrowings on similar terms.		
Data source	N/A		
Level of certainty	High		
Key risks	***Risk*** That new borrowings cannot be accessed to fund future capital requirements.	***Effect of risk*** Future capital programmes may be delayed and the Council improvement programmes/infrastructure assets may not receive the required investment. If funding is no longer available existing debt will need to be repaid, capital expenditure will cease and the council would be at risk of default under lending agreements.	***Mitigation*** Council maintains internal policy settings that allow for prefunding up to 18 months to manage refinancing risk. Council issues long term funding that is well spread over multiple maturity dates to ensure intergenerational equity requirements as set out in the Local Government Act 2002 are being met. Council sources debt from the LGFA which has the highest possible credit rating available demonstrating strong management and governance practices in place. The LGFA is a very well run, risk averse organisation that has sound risk management practices in place to continue to fund the local government sector over the long term. Access to the LGFA will continue to be the most appropriate way for Council to fund its balance sheet.

Weathertight homes

Assumption	The Council will continue to spread the cost incurred by settling weathertight homes claims by funding claims from borrowings and spreading the rates funded repayment across a number of years. This 10-year plan assumes that the Council's weathertight homes liability will be fully settled by 2039 and the associated borrowing repaid over the 24–year period.
Data source	Actuarial Valuation of Weathertight Claims as at 30 June 2023

Level of certainty	High		
Key risks	***Risk*** That the level of the claims and settlements is higher than provided for within the 10-year plan.	***Effect of risk*** The weathertight homes liability is an actuarial calculation based on the best information currently available. The liability provided for within the Council's financial statements is $24 million, a 1 percent change in this figure would equate to $0.24 million.	***Mitigation*** N/A.

Earthquake risk

Assumption

The assumed risks of a significant earthquake are in line with Wellington lifelines planning and relate to likelihood of earthquakes at different scales on the Modified Mercalli intensity (MMI) scale. Likelihood captured in the table below.

MMI level	Average return period
MMI7	~30 years
MMI8	~120 years
MMI 9	~400 years
MMI 10	~1350 years

Data source	Wellington Lifelines report 2019 and NZ NSHM (gns.cri.nz)		
Level of certainty	Low		
Key risks	***Risk*** That a significant event occurs during the period of the Long-Term Plan. That the scale and impact of a significant event is much larger than anticipated.	***Effect of risk*** The city is damaged to an extent that significantly impacts daily operation and liveability. If Council is unable to recover sufficiently or quickly enough to prevent long-term adverse effects on the population or local economy, Council's income streams, may not support it's commitments to repay debt. The city is damaged significantly more than expected and recovery funding is inadequate to prevent adverse long-term effects.	***Mitigation*** Council holds insurance cover and debt provision to fund losses in a significant event. - Council is improving the resilience of its infrastructure and building portfolio. - Council emergency response staff are regularly trained. - Development in areas subject to natural hazard risk is restricted. - Council regulates the remediation of earthquake prone buildings in the city.

Local Government reform

Assumption	That our current structure, role, and functions will continue, except where this has been clearly stated in the LTP. The range and nature of our services will remain unchanged. The Review into the Future for Local Government has published its final report, He piki tūranga, he piki kōtuku. The report poses proposes 17 recommendations to shape a more community focused, citizen-centred local governance system. The report does not explicitly recommend the allocation of roles and functions between central and local government and notes that decisions relating to the allocation of roles and functions cannot be made without understanding how they will be funded, and whether local government has the capacity and expertise to carry them out.		
Data source			
Level of certainty	High - while the Future for Local Government review recommends and discusses changes to what local government is and does, it is unlikely that any recommendations could take effect by 1 July 2024		
Key risks	***Risk*** That the structure of Local Government will change, and the Council moves to unitary, combined or other governance model. Within ten years there may be significant changes to the boundaries of local government in our region. That central government will allocate or remove responsibility for services to local government, and/or the Regional Council will allocate responsibility for additional services or standards to local government in the Bay of Plenty Region that requires immediate addressing and affects our capacity to deliver.	***Effect of risk*** Effect depends on the level of change. There could be significant restructuring, reorganisation or establishment costs incurred. There would be associated financial and rating changes as a consequence. Changes in the purpose and role of local government may have substantial impacts on budgets and financial forecasts and may require an amendment to the LTP.	***Mitigation*** A reorganisation process would take place over a sizeable period of time, this would allow the Council to fully prepare. The Council will proactively monitor and engage in discussions of this nature. We will continue to keep a watching brief on the local government sector and central government's response to the Future for Local Government review.

Resource Management reform

Assumption	That during the life of this LTP, the Resource Management Act 1991 (RMA) will remain until new legislation is prepared. The Natural and Built Environment Act 2023 (NBA) and the Spatial Planning Act 2023 (SPA) were repealed in December 2023. The government has signalled an intent to introduce new resource management laws based on the enjoyment of property rights.
Data source	**Resource management system reform | Ministry for the Environment**
Level of certainty	Low – The new Government 100-day plan includes repeal of the Spatial Planning and Natural and Built Environment Act and introduction of a fast-track consenting regime

	Risk	Effect of risk	Mitigation
Key risks	That the resulting change in approach to resource management to a system based on the enjoyment of property rights, rather than sustainable management, requires significant changes to how Council undertakes planning and regulates land use and development.	There is uncertainty about the exact form that reform of resource management may take, however it is possible that a new District Plan (or equivalent) will need to be prepared to give effect to new legislation. This will require significant resourcing from Council, likely similar to the District Plan review process currently underway.	We will continue to keep a watching brief on the review and any resulting legislative changes.

Tō mātou mahere ngahuru tau
Our 10-year Plan

2024-34 Long-term Plan Volume 1 – Summary of our plan

Absolutely Positively Wellington City Council
Me Heke Ki Pōneke

Ihirangi
Contents

Wāhanga 1: Kupu Whakataki
Section 1: Introduction

Kia ora | Welcome

Ko tō mātou matawhānui mō te anamata o *Pōneke: te pokapū auaha e ora tōnui nei te tangata me te taiao,* e whai ana kia tāone tainekeneke, tāone toitū, tāone ngangahau anō hoki. Me whakatakoto e mātou ngā tūporo ināianei hei tūāpapa mō te anamata.

Ko tā te mahere pae tawhiti he whakatakoto i te ara e taea ai tēnei whāinga. Ka whakatakoto i ngā whakaarotau mō ngā tau 10 e haere ake nei, ko ngā mahi ēnā, me ngā moni e utua ai ēnā mahi.

Our vision for the future, *Poneke: the creative capital where people and nature thrive*, is about creating a dynamic, sustainable and vibrant city. We need to put the building blocks in place now to lay the foundations for this future.

A Long-term Plan sets out how we will do this. It states our priorities for the next 10 years, including what we will do, how much it will cost and how we will pay for it.

Kei tēnei wāhanga | In this section

This section includes a welcome from our Mayor and Chief Executive, summaries of our vision, feedback from the community and what was changed after formal consultation.

What makes up the plan?

Volume 1

- Strategic priorities and overview of work programme
- Budget summary
- Financial Strategy summary
- Infrastructure Strategy summary

Volume 2

- Statements of service provision
- Significant forecasting assumptions
- All financial policies and strategies that support this plan

Volume 3

- Full strategic framework
- Full Infrastructure Strategy
- Full Financial Strategy

Mayor and Chief Executive's Welcome

We have a great capital city with a lot of heart. Art, nature and diverse communities – it's what makes the city such an amazing place to live, work and play.

But we've come to an important time in Wellington's history. We must develop into a more liveable and resilient city for the future while responding to our current economic environment.

So this next 10-year plan (our 2024–34 Long-term Plan) is hugely important. We've had to balance between investing in Wellington, so our communities thrive while also responding to tough economic conditions being felt by councils and communities all over the country.

As a city, we've had to make some hard decisions about what to prioritise while also picturing what our city can look like in 10 years' time and beyond. We have some major challenges. Our infrastructure is ageing – our water and transport networks need significant, ongoing and costly upgrades. We need to ensure our buildings are resilient, prepare for population growth with housing and transport, and act on climate change.

Over the next ~~10~~9 years, we plan to spend $~~4~~2.~~9~~7 billion in capital costs to make improvements in the city, and $~~11~~7.~~6~~9 billion in operating costs to provide the hundreds of services Wellingtonians use every day – including libraries, swimming pools, recreation centres and sports fields, festivals, footpaths and our many regulatory services.

We have created a budget that results in a rates increase in 202~~4~~5/2~~5~~6 of ~~16.9~~13.8% (after growth in the ratepayer base) and an average annual increase over the 10 years of the plan of 8%. This includes the ~~The~~ sludge levy, which is in addition to general rates, will be introduced from 2024/25 and is a further 1.6% increase (average annual increase of 0.6% over the 10 years of the plan).

~~A clear priority in this Long-term Plan is fixing our water infrastructure and pipes. In recent years, we've significantly increased funding in this area, and this plan provides funding for Wellington Water of a record $1.8 billion over the next 10 years. That's a 68% increase from our last Long-term Plan and includes funding to roll out water meters.~~

Water Reform will result in the transfer of ownership and management of our water infrastructure out of Council ownership, and the anticipated transfer date of 1 July 2026 is reflected in this plan.

Our environment also needs care and attention, and this is reflected in the Council's Zero-Waste Strategy, as well as increased funding for climate resilience and tree coverage in our city centre. Our Zero-Waste Strategy aims to build a sustainable future through reusing, recycling and reducing waste. From 2027, we'll be introducing an organics collection service and redesigning our rubbish and recycling collections to reduce landfill waste.

As with any Long-term Plan, we've also needed to consider our financial resilience. The increasing risk of earthquakes and climate change-related disasters, and the increasing difficulties getting insurance cover, has massively changed the insurance risk that Council faces. As a result, our public assets like libraries, pools and waste systems cannot be covered by insurance. As our current investment portfolio is not diversified, most of our investment assets are exposed to the same kind of risk.

To mitigate these risks and build our city's resilience, we are selling ~~our minority shareholding in Wellington Airport~~ a number of the Council's ground leases and using this money to set up a new ~~perpetual investment fund~~disaster resilience fund that will ~~make green, ethical investments to return a dividend to the city,~~ reduce our insurance risk, and diversify our investment portfolio. This, along with a reduction in our capital programme to increase our debt headroom, ~~This fund will be~~will put us in a better placed to ~~provide cash to~~ help rebuild Wellington after a climate change-charged weather event or a major earthquake.

This Long-term Plan represents a developing vision which will inform the next decade. Thank you to the thousands of Wellingtonians who participated in this process and provided feedback on our proposals. Together, we can ensure Pōneke continues to be a creative capital where people and nature thrive.

Tory Whanau Barbara McKerrow

Mayor of Wellington	Chief Executive

Tākai Here Partnership

In April 2022, Te Kaunihera o Pōneke and mana whenua in the Wellington rohe adopted Tākai Here - a collective partnership agreement with Taranaki Whānui ki te Upoko o te Ika, Te Rūnanga o Toa Rangatira, and Te Rūnanganui o Te Ātiawa ki te Upoko o te Ika a Māui. This collective agreement set the principles, values and priorities for our work together. The date of the signing was significant, in being the 182nd anniversary of the signing of the Treaty of Waitangi in Te Whanganui-a-Tara.

The partnership is expressed through the narrative and imagery of a waka. The role we all play is like that of a hoe (paddle) propelling the waka forward, creating a partnership that looks ahead and plans for the future of Wellington. It also refers to the binding, lashing, knotting and tying of the waka to ensure it is safe and fit for our shared purposes. This represents the way our shared values and tikanga ensure a strong relationship.

The Council is dedicated to strengthening our relationships with our Tākai Here partners as well as Māori communities. This includes providing opportunities for meaningful input, contributions and leadership roles in the decision-making process for our city.

Who are our Tākai Here partners?

Taranaki Whānui ki te Upoko o te Ika

The Port Nicholson Block Settlement Trust was created in 2008 to receive the settlement package for Taranaki Whānui ki te Upoko o Te Ika (Taranaki Whānui). Taranaki Whānui represents people who whakapapa back to Te Āti Awa, Ngāti Ruanui, Taranaki, Ngāti Tama, Ngāti Mutunga and other iwi from the Taranaki area.

Taranaki Whānui ki Te Upoko o Te Ika is the collective group of individuals who descend from one or more of the ancestors of the following Iwi: Te Atiawa; Ngāti Tama; Taranaki; Ngāti Ruanui; and other Taranaki iwi such as Ngāti Mutunga. The takiwā for Taranaki Whanui ki te Upoko o te Ika was recounted to the New Zealand Company by the Rangatira Te Wharepouri in 1839 and followed the Māori tradition of marking a takiwa by tracing from headland to headland. The eastern boundary was established by the kāinga at Mukamuka on the stream of the same name. The takiwā (areas) included are the catchments of the Orongorongo, Wainuiomata, Te Awakairangi (Hutt) Rivers and Makara Stream along with Te Whanganui-a-Tara and the three islands in the harbour. The western boundary was established at Pipinui Point and includes the pā of Ngutu Kākā on the Northwestern side.

Ngāti Toa Rangatira

Te Rūnanga o Toa Rangatira is the mandated iwi authority for Ngāti Toa Rangatira. It is the administrative body for their assets and interests.

There are two Ngāti Toa marae in Te Upoko o te Ika – Hongoeka Marae and Takapūwāhia Marae.

The Ngāti Toa Rangatira area of interest spans the Cook Strait. It covers the lower North Island from the Rangitikei in the north and includes the Kāpiti Coast, Hutt Valley, and Wellington areas, as well as Kāpiti and Mana Islands. It includes large areas of the Marlborough Sounds and much of the northern South Island. The main areas of Ngāti Toa Rangatira occupation in the Wellington Region were the lands on the south-west coast of Wellington at Ōhariu, Porirua, Kāpiti Island and at locations on the Horowhenua Coast.

Te Āti Awa

Te Rūnanganui o Te Āti Awa ki te Upoko o Te Ika a Māui is based out of Te Māori in Waiwhetu.

There are three Te Āti Awa marae in the region, Waiwhetu Marae, Pipitea Marae and Te Tatau o te Pō Marae.

Within all these iwi are multiple hapū (sub-tribes) and whānau (families) with who we will work to establish formal partnerships over the coming years.

Strategic priorities

To fulfil our vision of Pōneke being the creative capital where people and nature thrive, we need to ensure that these iwi and Māori from our wider community are contributing to the decision making in our city.

To ensure we successfully achieve this we will continue to work on the following shared strategic priorities with our Tākai Here partners and Māori communities:

- **Mauri Ora o te Tangata –** Wellbeing of people
- **Te Ao Māori and te reo Māori –** Wellbeing of culture, heritage, arts, and language
- **Kāinga me te Whenua –** Wellbeing of housing and land
- **Taiao –** Wellbeing of our environment
- **Partnership**

Together with strong, open and transparent relationships, these priorities will provide the platform for further opportunities for Māori to participate in and create a positive future for Wellington.

We already have several strategic and operational commitments, which align with these priorities. Council staff will continue to work alongside Māori in our city to enhance effective engagement of Māori in decision-making. We have committed staff and other resources to support, advocate on behalf of, and guide the Council's interactions with Māori.

We are dedicated to building the staff capability and cultural intelligence of our organisation to further strengthen our capacity as an organisation to respond to the needs of our Tākai Here partners and Māori. This includes building staff capability in basic te reo Māori (language), tikanga (practices) and developing staff knowledge and understanding of Māori concepts, values, histories and experiences. It also includes enhancing staff confidence and skills in engaging with Māori to establish and manage effective relationships.

In October 2022, Council appointed two Pouiwi, both of whom were nominated by our Tākai Here partners. These Pouiwi have joined us for the 2022–2025 triennium, have full voting rights on all committees and sit on nearly all Council committees and sub committees. Council also established Te Whanganui-a-Tara, Māori Ward at the 2022 election so that all Māori in the city have stronger representation. Increasing the ways that the Council involves Tākai Here partners and Māori in the formal governance of the Council are key steps toward achieving meaningful partnership with Māori in shaping the future of Wellington City.

Our vision for the future

Wellington City Council is situated at the south-western tip of the North Island and is New Zealand's Capital City. We provide various services to the community to achieve our vision:

Pōneke, te wāhi auaha e whitawhita ai ōna tāngata me tōna taiao | Pōneke, the creative capital where people and nature thrive.

Our commitment to our mana whenua partners grounds us in how we deliver on the vision.

We are committed to Te Tiriti o Waitangi and strong partnerships with mana whenua. Tākai Here and Te Tiriti o Waitangi lay the foundation for everything that the Council does.

Underpinning our vision are five intertwined community outcomes. These are aspirational statements and more detail on these is provided from page X.

Cultural Wellbeing: A welcoming, diverse and creative city	**Social Wellbeing:** A city of healthy and thriving whānau and communities	**Economic Wellbeing:** An innovative business friendly city	**Urban Form:** A liveable and accessible, compact city	**Environmental Wellbeing:** A city restoring and protecting nature

To help us achieve these goals, we asked what priorities we should focus on now to make sure we make progress towards them. In March to May 2023, more than 3,000 Wellingtonians gave us feedback that led to the nine priorities below:

Nurture and grow our arts sector	Increase access to good, affordable housing to improve the wellbeing of our communities	Revitalise the city and suburbs to support a thriving and resilient economy and support job growth	Collaborate with our communities to mitigate and adapt to climate change	Fix our water infrastructure and improve the health of waterways
Celebrate and make visible te ao Māori across our city	Invest in sustainable, connected and accessible community and recreation facilities		Transform our transport system to move more people with fewer vehicles	Transform our waste system to enable a circular economy

These priorities have helped us shape this plan and to make the hard decisions needed.

We are proud that this 10-year plan also embeds five approaches to help guide the Council in all parts of our work – meaning that going forward we are committed to putting te ao Māori, accessibility, the climate, community engagement and effective delivery at the heart of the Council and your city.

More information on these approaches is included from page X of this document and is also provided in our Statements of Service Provision in Volume 2.

Our plan for the next 10 years

This Long-term Plan was amended in 2025 to reflect the Council's decision in October 2024 not to sell its shares in Wellington International Airport Limited. The proceeds from that sale would have provided initial funding for a perpetual investment fund, designed to address the Council's two key financial issues: lack of insurance for its assets, and lack of diversification in its investments.

The decision not to sell the shares in the airport means the Council has sought an alternative approach to addressing its two key financial issues. This has resulted in changes to the Council's Financial Strategy, and some changes to the Infrastructure Strategy. Those changes are reflected in those strategies in Volume 3 of the LTP. The alternative approach has also included changes to Council's planned capital programme over the remaining nine years of the LTP. A number of projects have been rephased, rescoped or stopped. Budgets have been amended as appropriate in this LTP Amendment, as well as service levels. The main projects impacted are:

- Begonia House remediation
- Bond Store upgrade
- City Streets upgrades
- Frank Kitts Park redevelopment
- Karori Events Centre
- Low-cost, low-risk transport projects
- Paneke Poneke Bike Network Plan
- Suburban Town Centres – upgrades
- Te Awe Māpara – the Community Facilities Plan
- Te Ngākau Civic Square Precinct
- Venues upgrades
- Wellington Zoo upgrades.

We plan to invest $~~4~~2.~~9~~7 billion of capital expenditure (capex) to improve our city over the next 10 years and $~~11~~7.~~6~~9 billion of operating expenditure (opex) to run our services over the next nine years~~.~~

Governance

- $~~36.2~~48.9m of opex ~~over the 10 years~~ for protecting our history through the City Archive
- $57.4m of opex o~~ver the 10 years~~ to provide help to our residents through the Service and Contact centres

Environment and Infrastructure

- $~~42~~34.~~1~~1m of capex on upgrading and renewing our Coastal, Town Belt and Reserves and Walkways infrastructure
- $~~33~~23.40m of capex on the Southern Landfill extension
- $~~28~~25.7m of opex on waste minimisation programmes

~~Three Waters~~

- ~~Total spending on the three waters network of $4.8b including:~~
    - ~~$1.85b of funding to Wellington Water Ltd: $1.17b capex on three waters upgrades and renewals, and $680m opex to deliver services and necessary repairs~~
    - ~~$274m (total project cost $400m) of capex on the Moa Point Sludge Minimisation Facility~~
    - ~~$2.7b on other operating costs e.g., depreciation and interest~~

Economic Development and Cultural Wellbeing

- $~~224~~147~~.5~~m of capex on our venues, museums and galleries, including $~~157.6~~98.0m on the Town Hall
- $~~124.2~~112.4m of opex over 10 years in grants for our arts, cultural and economic communities

Social and Recreation

- $~~106~~100.9m of capex on our recreation facilities and services, including $12.~~4~~0m to upgrade Grenada North sportsfields
- $~~104.4~~18.5m of capex to finish construction of the new Te Matapihi Central Library
- $5~~7~~1.3m of opex over 10 years in grants for our social and recreation communities
- $~~325.3~~298.0m of opex on our social housing portfolio
- $5~~92.9~~44.2m of capex on renewing and upgrading our social housing units

Urban Development

- $6~~2~~0.~~4~~1m of opex on our public spaces, including the Green Network Plan
- $~~112.9~~95.1m of capex on the Golden Mile

Transport

- $~~1.1b~~785.5m of capex on our transport network, including: $~~115.2~~44.7m on sustainable street changes through the Paneke Pōneke, our bike network plan, and $1~~87.4~~45.3m on our retaining walls, tunnels and bridges.

Three Waters

- In response to the Local Water Done Well reform process, we assume that from 1 July 2026 water infrastructure will be transferred to a new regional water service entity.

Ā mātou i rongo ai | What we have heard

How the community shaped our plan

The following section summarises the engagement on the 2024–34 Long-term Plan, the feedback we received and the decisions adopted by the Council following formal consultation.

We have built this plan with help from our community. In the past 18 months we have conducted specific Long-term Plan engagements on community outcomes and priorities in March – May 2023, on the review of our rating policies in September – October 2023, a Citizens' Assembly in October 2023, and a final formal consultation phase in April – May 2024.

Summaries of the information we received on this Long-term Plan are below, and more information is on our website – wcc.nz/ltp.

Priorities for the Long-term Plan

We received 2,722 responses in this early engagement – a huge increase on the 327 responses to the similar engagement for the 2021 LTP.

The priorities that were consistently ranked highly by the community were:

- Improve resilience of pipes, roads and other infrastructure
- Improve city safety at night
- More funding for the arts and cultural sectors
- Better public transport infrastructure
- Make our cultural diversity more visible
- Upgrade suburban town centres
- Shift to an economy that creates less waste
- Improve the health of our waterways
- Prepare to withstand and adapt to climate change

The feedback from this stage was used alongside data and research to develop the priorities for the Long-term Plan that are outlined on page 9 and this information also informs our full strategic direction, which is summarised from page X of this document and in full in Volume 3.

The full report of this stage is available on our website.

Rating Policy Review

As part of this Long-term Plan we conducted a review of our rating policies. This determines how we cut up the rates pie, not how much the rates are. We received 160 submissions during an engagement process where we asked about six changes to our rating policies:

- Decreasing the commercial rates differential from 3.70 to 3.25
- Introducing a general rates differential of 4.5:1 on vacant land /derelict buildings
- Increasing the value threshold for properties with more than one land use from $800k to $1.5m

- Introducing a remission of general rates for Earthquake-Prone-Buildings (EPB) and targeted rates for both residential and commercial not-fit-for-purpose buildings
- Removing the first home builder remission
- Extending the current Māori freehold land remission policy to all types of Māori land.

After receiving the feedback, Council has made the followings changes to Rating Policies:

- Introducing a general rates differential of 5:1 on vacant land and for derelict buildings
- Increasing the value threshold for properties with more than one land use from $800k to $1.5m
- Increasing the rates remission for low-income ratepayers from $700 (GST inclusive) to a maximum of $800 (GST inclusive)
- Introducing a remission of general rates for Earthquake-Prone-Buildings (EPB) and targeted rates for both residential and commercial not-fit-for-purpose buildings
- Removing the rates remission for first home builders
- Extending the current Māori freehold land remission policy to all types of Māori land.

More information is available on page X, and all of the details are in the full policies in Volume 2 of this plan from page X.

Citizens' Assembly

In September and October 2023, a Citizens' Assembly of 42 Wellingtonians met to deliberate on the following question and provide their perspectives to feed into Council decisions about the Long-term Plan:

We need to find a balance between what WCC could deliver, and what resource it has available, which is fair to everyone. How might we do this?

Sessions were facilitated to ensure all perspectives were heard, and subject matter experts were called upon to answer participants' questions and provide information to support the Assembly in developing its advice. During the final session, the Citizens' Assembly's advice to Council was presented to the Mayor, Councillors and members of the Council's Executive Leadership Team. The full advice is available **here**. It includes 10 pieces of advice across the following areas:

- Investigating alternative revenue streams
- Capital expenditure
- Open space
- Housing
- Community funding
- Process

Formal consultation

4,077 total submissions	298 oral hearing requests	3,799 downloads of the consultation document	4,013 comments across 2,367 website submissions	44 funding requests	27,000+ unique visitors to the LTP website homepage

The formal consultation went live on Friday 12 April and ran until midnight 12 May. The public could submit via our Let's Talk website, through posted or emailed submission forms or via direct email to ltp@wcc.govt.nz. The aim was to accept feedback in as many forms as possible for as many audiences as possible. We received 4,077 submissions in the month, double the number received in 2021. Overall, there were 7,724 downloads of LTP information from our website. The consultation document was downloaded 3,779 times, and the additional individual files on the key proposals were downloaded 1,709 times. The third highest downloaded document was the information on fees and user charges, which was downloaded 1,208 times.

We hosted 16 hui across the month of consultation, including a general public webinar, school workshops with 130 children, specific consultation with hapori Māori, businesses, and topic-specific engagement on Khandallah Pool and Wadestown Community Centre.

Direct emails were sent to over 10,000 people, including all 83 primary and secondary schools in Pōneke and 87 community organisations, including 14 te ao Māori organisations. Our promotional campaigns on Council social media channels had 1,534,503 reach, 42,422 engagements, and 7,870 link clicks to the LTP website. Digital advertising had 1,375,158 impressions, with 8,102 clicks through to the website.

What was decided

The Council deliberated on the key proposals and all of the consultation feedback and other changes to the plan at the 30 May 2024 Long-term Plan committee meeting.

The three key proposals were adopted as consulted:

1. **Increased water network funding:** Investment of $680m opex and $1.2b capex, addressing some of the drinking water network issues in the short to long-term with additional operational funding for short-term work to address water leaks as well as initiatives such as water meters, to address water supply over the medium to long-term. Our capital expenditure will be prioritised toward the most critical wastewater network risks.
2. **Waste collection changes:** The new services to be introduced from 2027 onwards are: a rates-funded rubbish wheelie bin that will be collected fortnightly, combined with a rates-funded weekly organics service for food scraps and garden waste; a bigger 240L fortnightly recycling wheelie bin and retaining our 45L fortnightly glass service. In addition, the Council will:
    a. investigate how to implement collection trials for multi-unit developments and the central city
    b. investigate how the current recycling bins can be repurposed or recycled as part of the implementation of the new services
    c. review the size of the bins for the collection of rubbish 6 to 12 months after the implementation of the new services to ensure the collection meets the needs of households, including those with high and low waste disposal needs.
3. **Investment and insurance:** The Council will sell its full holding of airport shares and create a new publicly owned financial asset by reinvesting the proceeds in a perpetual investment fund. Proceeds from future ground lease sales could also be transferred into the fund (if/when these leases were considered for sale).

Key changes

Parking

The Council agreed not to include the additional parking revenue from the suburban parking proposal for the 2024/25 year in the LTP. Instead it will investigate and report back in time for the 2025/26 Annual Plan process on options for suburban parking where demand for parking is high (and which align the Parking Policy. This change will result in $2m of lost revenue and a 0.4 percent increase in rates for the 2024/25 year.

The Council adopted the motorcycle parking fees as per the consultation proposal. It noted that the fee is up to $2.50 per hour but the specifics of the fee will be determined through a separate Traffic Resolution consultation process that will follow the LTP process. There will also be the option of a daily cap on the fees included as part of the Traffic Resolution process.

Khandallah Pool

The Khandallah Pool will remain open for at least Year 1 and a community advisory group will be established, to be engaged with over six months. This group will receive the findings of an engineering review that will identify if a cheaper fix for the pool is possible within the $7.5m budget currently assigned to this project. This group will include representatives from both the community, to be approved by the Mayor, and the Council and will be supported by Council officers. The Council will also commission further technical and engineering expert advice to support this process, noting the health and safety imperatives of any preferred solution. Officers will report back to Council at the conclusion of process with all final decisions remaining with the Council. This process will cost $80,000.

Community requests

In summary, the Council decided that the final plan should include the following additional changes from the draft that was consulted on.

1. **Capital Kiwi:** Allocate $100,000 per annum to the community organisation.
2. **Wellington NZ funding:** Reallocate $500,000 per annum of funding from Te Papa to Wellington NZ. This results in a $500,000 decrease in funding for WellingtonNZ, as opposed to the $1m decrease proposed in the draft budget.
3. **National Music Centre:** The Council will provide the requested $182,500 funding for the National Music Centre in Te Ngākau Civic Square, which is its portion of the centre's request that the region's councils provide $500,000 of funding, with a funding proposal to be developed between officers and the centre. This funding will come from reprioritising the existing Creative Capital operational budget from the 2023/24and 2024/25 financial years to the National Music Centre.
4. **City safety:** The Council will develop a plan (including key measures), with relevant agencies, to reduce crime and improve safety in Wellington with a focus on the central city, including increasing social grants funding for safety initiatives by $500,000 per annum from Year 1.
5. **Arts sector:**
    a. Retain ongoing commitment to support a Living Wage top-up for events and artists, and review the options in the next 12 months for this to be achieved through existing fund criteria or the continuation of specific top-up Living Wage funding.
    b. Add a musicians' sector group to the Aho Tini Creative Sector working group(s) in line with the Aho Tini 2030 Arts, Culture and Creativity Strategy and Aho Tini Action Plan.
6. **Skate parks:** The Grants Subcommittee will allocate $80,000 from the Sportsville Fund in Year 2 of the LTP towards feasibility studies for upgrades of the Waitangi Park and Ian Galloway skateparks.
7. **Living wage:** On top of the events and artists funding above, the Council will provide Council-controlled organisations (CCOs) with additional top-up funding (at a cost of $145,000) to pay the Living Wage in the 2024/25 financial year, with direction that CCOs will need to manage this within their budgets from Year 2 onwards.

Other changes

1. **Climate initiatives:** $14m from the Climate Resilience Fund will be allocated to degasify the pool network, reducing emissions and operating costs.
2. **Waste initiatives:** The Council will support community compost hub providers to educate the community and divert organics from the waste stream. This will be funded using (ring fenced) Waste Levy Funding of $50,000 to $150,000 per annum until the 2027/28Long-term Plan. It will then be reviewed to assess whether the initiative should continue.
3. **Capital programme:** If funding currently allocated against the Town Hall and Te Ngākau strengthening projects is not fully spent, officers will report to the Council as soon as possible with options to reallocate the money to the water network's capital projects. The capital work programme will be closely monitored for other opportunities to reallocate funding to the water network's capital projects.
4. **City Streets:** Officers will report back on all projects within the City Streets budget for a Council decision on prioritisation by September 2024 with a focus on delivering the following central city projects within Years 1 to 3 of the LTP:
    a. Secondary bus corridor (bus spine on the Quays).
    b. Cross-city cycle connection (connect Thorndon Quay to Cambridge Terrace).
    c. Cuba St pedestrianisation infrastructure and activations (significant improvements beyond proposed footpath widening).
    d. Dixon St upgrade (required as part of the Golden Mile design).
5. **Transport:** Once the Waka Kotahi National Land Transport Plan is finalised, officers will report back to the Council on the Paneke Pōneke Bike Network Plan and whether projects will require reprioritisation.

6. **EV chargers:** The Year 1 funding for the installation of EV chargers which have already been approved is retained within the LTP (bringing the total installed to 34), but funding beyond this amount is removed, pending further advice on the costs and benefits of proceeding with installation of the remaining 26 chargers. We will also investigate the potential to sell existing EV chargers to recover the Council's investment.
7. **Golden Mile:** Officers will report back by September 2024 on how the Golden Mile design can be revised to give higher priority to pedestrian space including the connection to public transport.
8. **Business Improvement Districts**: Officers will report back in time for the 2025/26 Annual Plan on options for further investment in areas with Business Improvement Districts to support more effective economic development.

Wāhanga 2: te reo to come
Section 2: Summary of our plan

Kei tēnei wāhanga | In this section

Te reo to come

This section includes summaries of our Financial Strategy and Infrastructure Strategy and an overview of our Strategic Framework. These documents underpin all our planning and are available in full in Volume 3.

Key strategy summaries

Introduction

Our city is experiencing the impacts of earthquakes, the aftermath of the global pandemic, issues with our ageing three waters network, and climate change. We also have financial pressures, with higher inflation and increases in the cost of interest and insurance, as well as higher costs associated with asset ownership (for example, higher depreciation). We know our community faces many of the same cost pressures, meaning the ability to pay for these increasing costs is becoming more difficult. It is important for the Council to operate a sensible budget.

The biggest challenge for the Council is being realistic about what we can pay for and when. We own a lot of infrastructure that we need to maintain and upgrade (buildings, roads, pipes and more). We also need to keep our budgets affordable and to have money available for future risks, such as responding to a natural disaster. This means the list of what we need to pay for is growing faster than our ability to pay for it.

To make sure we continue to work towards our vision for the future, the Council has rephased and reprioritised the work in our capital programme, with a focus on completing projects that we have started, looking after our existing assets, and meeting our regulatory requirements.

The financial challenges we face are not limited to the 10 years of this plan. We also need to think about how we provide financial sustainability for the future. We are exposed because we cannot insure all our assets so if there is a natural disaster we will not have sufficient funding to repair damage and rebuild our city. Further, all our investments are concentrated in Wellington International Airport Ltd shares or ground leases. This means if something were to happen to those assets, we could lose our investment revenue. We will manage these risks through the establishment of a perpetual investment fund (please refer to the statement on page 8 of this document for information on changes to this approach via the 2025 LTP Amendment)~~.~~

The following summaries of our Financial Strategy and Infrastructure Strategy show how we are planning to face the current challenges to create a more liveable and resilient city for the future.

More detail is provided in our Financial Strategy and Infrastructure Strategy in Volume 3 of this plan (please refer to the statement on page 8 of this document for a statement on the amendment to this LTP. The Council's Financial Strategy and Infrastructure Strategy have been amended as outlined in that statement).

Financial strategy summary

The Council's Financial Strategy has been amended as part of the 2025 LTP Amendment. Please refer to the statement on page 8 of this document for further information about the LTP Amendment.

Affordability

The Council and residents of the city are facing affordability challenges. The economic and community operating environment has changed dramatically since the Council prepared its 2021–31 LTP. We are operating in an environment of high inflation and borrowing costs have also increased steeply since 2021. Insurance premiums continue to rise while access to insurance for many of Council's assets is becoming more difficult. Put simply, everything we do is costing more to deliver. Residents' ability to pay more rates is limited, and the Council will need to find ways to deliver our services in a more constrained funding environment.

Our budget results in a rates increase in 2024/25 of 16.9% (after growth) and an average annual increase over the 10 years of the plan of 8%. The sludge levy, which is in addition to general rates, will be introduced from 2024/25 and is a further 1.6% increase (average annual increase of 0.6% over the 10 years of the plan). The Council has set an average rates increase limit of between 5-8% (excluding sludge levy) over the 10 years of the Long-term Plan. However, the higher rates increases in the first four years of the Long-term Plan are necessary to continue to fund the current core levels of service. These include moving to fully fund three waters depreciation by 2028/29 and dealing with increasing operating costs, such as insurance and interest. The graph of the forecast rates increases for the 10 years of the plan is on page 25.

We have tried to forecast a fair and balanced budget for this plan that deals with the critical issues and keeps our city moving forward.

More information about our budget and how it was created is available in the Financial Strategy.

Funding issues

Council revenue

Local government has a narrow range of tools for funding projects and every day costs. Most of our operating revenue comes from residents through rates, or fees and user charges, and our capital investments are paid for through debt. We also receive some funding for projects from the NZ Transport Agency Waka Kotahi (NZTA).

There is significant uncertainty about the level of funding from NZTA. In creating this plan, we have made some assumptions on the level of subsidy that may be available. This may need to be revised once the NZTA funding is finalised. If the funding is less than expected, we may need to look at altering our capital programme.

We have been able to access funding through the Infrastructure Funding and Finance Act 2020 for the new Moa Point Sludge Minimisation Facility. Getting a loan for this asset via this central government pathway means we don't increase our debt directly, but it will still impact ratepayers through a levy on rates bills from August 2024 (a 1.6% increase in 2024/25). More information about this project, including the levy and how it is funded, is available here: Projects – Moa Point sludge minimisation facility – Wellington City Council. The projected levy is included in the rates graph on page 25.

All of our budgets are linked – increasing our debt also increases the operating costs for paying it back, including the cost of interest. Therefore, we need to balance having a city we can all enjoy, with the ability of our residents to pay rates.

As part of this plan the Council reviewed its balance sheet (what we own and owe) and identified that it was not sufficiently resilient and was overly exposed to certain risks. Some of this is because of the limited sources Council has for funding. This has significant implications for our long-term financial position and action is required to address this. Part of the advice from the 2023 Citizens' Assembly was for Council to diversify revenue streams and to advocate to central government for changes to reduce the burden on ratepayers. This work is underway and the Council's decision to set up a perpetual investment fund is part of this work. See our full Financial Strategy in Volume 3 for more detail on our funding sources, from page X.

Our Financial Strategy and budgets are based on operational money coming from the following areas:

Council debt

The Council's net debt is expected to ~~increase~~reduce to $1.7~~2.9~~ billion ~~(including insurance headroom of $272m)~~ by 2033/34. This is a result of the reduction in the capital programme to increase borrowing capacity. The forecast shows that the Council will exceed its debt to revenue limit for the first six~~eight~~ years of the plan, then it gradually returns within this limit in Year 7~~9~~. ~~However, if we exclude the insurance headroom and look at the debt forecast to be drawn down, then the debt to revenue limit is not exceeded.~~

This headroom amount was set in the 2021–31 LTP and reflected the gap in insurance coverage available to the Council. The current Financial Strategy ~~retains the insurance headroom and~~removes the headroom from Year 2~~3~~ ~~assumes the establishment of the perpetual investment fund~~and has increased borrowing capacity, along with establishing a disaster resilience fund, which will mitigate some financial and insurance risks.

Ensuring fairness

Everyday costs should be paid for from everyday revenue. If we fail to achieve this, the everyday costs are funded by increasing debt. This means existing ratepayers are not paying for some of the services and amenities being provided to them. This is like using a loan to pay for everyday costs – sometimes this is necessary in an emergency, but it puts pressure on future budgets when the money needs to be paid back. This is neither prudent nor sustainable.

Increasing costs

As mentioned in our Infrastructure Issues section on page 17, we have gone through the budgets included in this plan to make sure we are successfully delivering our important services. This has included initiatives to find cost savings, looking for where we can be more efficient, and considering if we need to change the levels of service we provide. The review resulted in several changes to service levels to manage costs and the key ones are detailed from page 44.

Section 100 of the Local Government Act 2002 requires that a local authority must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses. For the first five years of the LTP the Council has a balanced budget, and for Years 6 to 10 there is a minor imbalance. We consider this prudent as we only want to set rates to cover the depreciation costs (the cost of looking after our assets) for the assets we intend to replace in the future. We also don't collect rates for the assets that we expect to get third party funding for (for example NZTA funding).

To keep the costs to our residents down, we will not be using rates to fully fund depreciation on three water assets due to the revaluation on 30 June 2022 which saw a significant increase in the value of our water assets. Furthermore, in response to the Local Water Done Well reform process, we assume that from 1 July 2026 three water assets will be transferred to a new regional water service entity~~We will move towards fully funding depreciation on water assets by 2028/29~~. The Council was planning to return to fully funding depreciation by 2028/29. We are also proposing to not fund depreciation costs on some of our other assets which are unlikely to be replaced. While the Council is forecasting a balanced budget in the first five years of the Long-term Plan, it is important to note the Council is recognising significant revenue in those years to fund the sludge minimisation project. If this funding was not included, the Council would not be setting a balanced budget for those years of the plan.

Insurance costs and investment risks

The Council has two financial challenges to manage: the increasing difficulty and cost to insure our assets means we are significantly underinsured, and the lack of diversification of our investment portfolio means all our investments are exposed to the same kinds of risk – in other words, all our eggs are in one basket. More information on these challenges is available in our full Financial Strategy in Volume 3, pages X to X.

The scale of the challenges cannot be ignored – doing nothing leaves the Council exposed to unnecessary risk and any solution needs to address both the insurance and diversification problems. The Council has reduced its self-imposed debt to revenue ratio to 200% to increase borrowing capacity. ~~Therefore, w~~We will also set up a new ~~perpetual investment fund by selling our minority 34% shareholding in Wellington International Airport Ltd~~disaster resilience fund using the proceeds from the sale of a number of the Council's ground leases~~ and reinvesting all the proceeds into the fund. We will also use money from the future sale of some property ground leases to further increase the fund~~. This will be a publicly owned fund that is intended to continue forever and support generations of Wellington ratepayers by ensuring funding is available to support the city's recovery from natural disasters, including by covering an insurance gap. ~~The proceeds from the sale of airport shares will not be used to pay for Council related projects or pay down debt and there will be mechanisms in place to ensure the fund is appropriately protected and used only for the purposes for which it is created. ~~The fund will become a strategic asset in the Council's Significance and Engagement Policy, meaning if significant changes were proposed, we will need to consult with the community.

Deferral of renewal spending

The Long-term Plan capital expenditure programme includes only a proportion of the required renewal investment for our infrastructure based on our asset planning. This will result in some assets not being renewed at the time they should be. This is a 10-year decision, with a need for a catch up to happen over Years 11 to 20 of our asset management plans.

To reduce spending, we will seek value-for-money options through good procurement practices and we will review our programmes to identify more cost-effective options. For some areas there is a low risk of this reduced spending resulting in a lower level of service, but in Transport, Property, Housing and other community assets we are planning to defer 25% of the renewals spend. This carries some risk that the levels of service experienced by the community will be lower than planned. For example, this could involve a greater use of chipseal rather than asphalt. This risk can be reduced by having confidence in the condition data for our assets. We will prioritise renewals where the greatest need is, such as for safety and resilience reasons.

This approach has not been applied to the three waters network prior to the transfer of water assets. Furthermore, in response to the Local Water Done Well reform process, we assume that from 1 July 2026 three water assets will be transferred to a new regional water service entity.

The table below shows the total cost of capital projects over the 10-year period of the 2024–34 Long-term Plan categorised by type of expenditure. We have split out our top four key areas of spending – the three waters network (for 2025/26 only) and our transport network. Further details are in **Our plan for the next 10 years** from page 12.

Capital expenditure	**Renewals**	**Upgrades**	**Growth**	**Total**
Activity Group	**($000s)**	**($000s)**	**($000s)**	**($000s)**
Water supply	~~12,199~~17,126	~~1,580~~4,205	~~154~~304	~~13,933~~21,636
Wastewater	~~23,953~~54,523	~~187,681~~317,769	~~205~~6,355	~~211,840~~378,647
Stormwater	~~1,591~~3,117	~~2,045~~4,090	~~154~~304	~~3,789~~7,511
Transport	~~403,130~~440,450	~~313,933~~359,447	~~68,391~~127,456	~~785,454~~927,353

Other Activity Groups	~~1,193,430~~1,380,717	~~401,621~~582,484	~~136,270~~142,843	~~1,731,322~~2,106044
Total Capital Expenditure	**~~1,634,303~~1,895,933**	**~~906,861~~1,267,996**	**~~205,173~~227,262**	**~~2,746,337~~3,441,191**

Additional financial information

What are my rates?

The tables in this section show a selection of the indicative rates for residential, suburban commercial and downtown commercial ratepayers. These do not include the sludge levy.

They are for indicative purposes only and may vary from actual rates. Fuller tables are provided in Volume 2, from page X.

Indicative residential property rates inclusive of GST (for properties without a water meter)

Capital Values $	2024/25 Total Rates (inc GST) $	Increase over 2023/24
400,000	1,937	18.94%
800,000	3,365	18.57%
1,200,000	4,793	18.42%
1,600,000	6,221	18.34%
2,000,000	7,649	18.29%

Indicative suburban commercial property rates inclusive of GST (for properties with a water meter)

Capital Values $	2024/25 Total Rates (inc GST) $	Increase over 2023/24
1,000,000	11,268	15.12%
1,500,000	16,764	15.07%
2,000,000	22,260	15.05%
2,500,000	27,756	15.03%
3,000,000	33,252	**15.02%**
3,500,000	38,748	15.01%
4,000,000	44,244	15.01%
4,500,000	49,740	15.00%
5,000,000	55,236	15.00%

Indicative downtown commercial property rates inclusive of GST (for properties with a water meter)

Capital Values	2024/25 Total Rates (inc GST) $	Increase over 2023/24
1,000,000	12,782	13.09%
1,500,000	19,034	13.03%
2,000,000	25,287	13.00%
2,500,000	31,539	12.98%
3,000,000	37,792	**12.97%**

Capital Values	2024/25 Total Rates (inc GST) $	Increase over 2023/24
3,500,000	44,044	12.96%
4,000,000	50,297	12.96%
4,500,000	56,550	12.95%
5,000,000	62,802	12.95%

Sludge Levy

In July 2024, the Council will be collecting a new sludge levy to fund the cost of the new Moa Point Sludge Minimisation Facility, on behalf of Crown Infrastructure Partners. This was approved under the Infrastructure Funding and Finance Act 2020 (IFFA). We consulted on this option through 2021/2022 and received support from the New Zealand Government (Cabinet and the Minister of Housing) in August 2023.

The amount of the sludge levy is dependent on whether the property is classified as commercial or residential and where its wastewater is treated. The following examples outline the indicative sludge levy for a property with a capital value of $1 million:

- Levy for commercial property with wastewater treated at Moa Point, Karori or the new Sludge Minimisation Facility: $108.37
- Levy for residential property with wastewater treated at Moa Point, Karori or the new Sludge Minimisation Facility: $83.03
- Levy for commercial property with wastewater not being treated in one of the above plants or not connected: $31.72
- Levy for residential property with wastewater not being treated in one of the above plants or not connected: $21.40

Changes to Rating Policies

These policies are provided in full in Volume 2 of the Long-term Plan from page X.

Rating Policy

This Long-term Plan we have made some changes to our Rating Policy. This impacts how we charge and who we charge rates.

Key changes are:

- A new general rates differential on vacant land and derelict buildings
- A targeted rate for recycling and organics collection (starting from Year 4 of the LTP)

Vacant Land and Derelict Building Differential

The purpose of the differential on vacant land and derelict buildings is to promote development in the city and to ensure that owners of vacant sites and derelict buildings pay their fair share of costs.

A key community outcome the Council wants to achieve is a vibrant central city, and vacant land and derelict buildings can decrease the likelihood of this, and can have negative effects on retailers. Furthermore, vacant land and derelict buildings have a lower capital value (compared with similar land that is non-derelict or has improvements) and the benefits that owners (whether in the commercial or residential zone) receive from our general activities are disproportionate to the rates they pay, as compared to land which is fully developed and utilised. Also, the appearance of vacant land and derelict buildings can have a negative impact on the perceptions of the central city.

Further details on the definition of vacant land and derelict buildings can be found in the Funding Impact Statement Rating Mechanism section in Volume 2 from page X.

Waste targeted rate

This proposed targeted rate will pay for the rubbish and organics collections and will start from Year 4 of the LTP. The targeted rate will be a fixed charge per residential, serviceable rating unit. Further specifications of the targeted rate will be worked through and consulted on later. Residents in non-serviceable rating units will need to continue to access rubbish and organics collections through private providers.

Rates Remission and Postponement Policy

The Council has made some changes to the Rates Remission and Postponement Policy to provide support to ratepayers where really needed.

Key changes are:

- Increasing the low-income remission from $700 to $800
- Providing a remission of general rates for owners of earthquake prone buildings who undertake strengthening work.
- Clarifying that the remission of targeted rates for properties under development applies to both residential and commercial properties.
- Extending the remission on Māori freehold land to other types of Māori land
- Providing a remission for vacant land if the vacant land is ‘activated’.

Further details on the policies can be found in our attached Rates Remission and Postponement Policy.

Changes to Fees and User Charges

Our Revenue and Financing Policy guides our decisions on how to fund council services. We consider who benefits from a service (for example, individuals, parts of the community or the community as a whole) to help determine how the service should be funded.

The policy also sets targets for each Council activity, stating what proportion should be funded from user charges, general rates, targeted rates and other sources of income.

As part of the Long-term Plan, we have reviewed our fees and charges and made some changes. The full list of fees and charges is provided in Volume 2 of the plan from pages X to X.

The following areas have **material fee increases** because of the alignment of fees with market rates or implementation of Council Policy:

- **Transport network control and management** – the fees structure for Corridor Access Request applications will change to align with market rates
- **Parks & Reserves** – fee increases related to the implementation of the Temporary Trading & Events in Public Places Policy.
- **Parking** – introduction of paid carparks for motorcycle parks, in line with the Council's Parking Policy. More details are available in the Revenue and Financing Policy in Volume 2, from page X.

These **material fee increases** reflect the rising costs to Council to offer the services:

- **Waste minimisation services** – increased costs due to increases to the Waste Disposal Levy, brought in through the 2024 changes to the Waste Minimisation Act 2008.
- **Building control and facilitation** – new fee charged as part of the Corridor Access Request application process to recover the cost of the Wellington Underground Asset Map project.
- **Building control and facilitation, Development Control and Facilitation, Public Health Regulations** – fee increases reflect the increasing costs associated with the delivery of thee services, including operating costs to support ageing digital systems, support improvements to delivery, and costs associated with developing and maintaining staff competencies.
- **Cemeteries** – fee increases for urns due to supplier price increases.

We are also introducing **new fees** in the following areas to streamline some Council booking processes or to offer new services:

- **Charged Up Capital** – the Charged Up Capital project is a Council initiative to increase the availability of publicly accessible electric vehicle charging facilities in Wellington. Fees will apply to battery charging (per kwh) and for parking in the spaces on which the chargers are located.
- **Parks & Reserves** – new fees related to the implementation of the Temporary Trading & Events in Public Places Policy.
- **Urban Planning & Policy** – new fee related to the Wellington Underground Asset Map project.
- **Wellington Gardens** – new fees related to the implementation of the Temporary Trading & Events in Public Places Policy, as well as for hiring Sexton's Cottage.
- **Marinas** – fees for Evans Bay boat ramp parking.

We also have **standard inflation increases** for the following areas:

- Swimming pools
- Recreation centres
- Golf course
- Cemetery
- Waterfront.

Infrastructure strategy summary

The Council's Infrastructure Strategy has been amended as part of the 2025 LTP Amendment. Please refer to the statement on page 8 of this document for further information about the LTP Amendment.

We all know that a city's infrastructure is crucial for residents to thrive, but it is often taken for granted. Poor infrastructure can have significant negative consequences on our city, affecting our environment, public health and safety, and community and business confidence.

However, dependable and future-proofed infrastructure is expensive and must be affordable, have benefits for future generations and meet the Council's other investment priorities.

In this Long-term Plan, we've prioritised funding for three waters infrastructure and are focusing our efforts on investigating our buildings and other assets to address significant earthquake prone issues and changing community demands.

We've identified five infrastructure challenges for this LTP, with more detail in our Infrastructure Strategy and Financial Strategy. These are significant problems that need long-term planning to solve them. There is no quick fix and these issues need funding across multiple years.

Five infrastructure challenges

1. *Population growth and changing demand*

We need to future-ready our infrastructure to serve our growing and changing population, so that we can foster liveable, safe, low-emission neighbourhoods and travel. Considerations include:

- Population growth and ageing demographic profile.
- Lack of growth capacity in transport and three waters systems.
- Changing community needs and service use patterns.

2. *Ageing and declining condition of infrastructure*

Much of the city's infrastructure was built in waves when parts of the city were urbanised, including a sizeable portion that was built after World War Two. This means a lot of our infrastructure will reach the end of its life in the next 30 years. Issues include:

- Some assets have exceeded their useful life.
- Historical lack of a coordinated, data-based approach to asset management, and data maturity, resulting in under investment in maintenance and renewals.

3. *Mitigation and adaptation to climate change*

Our city's infrastructure, including transportation and waste systems, play a key role in where we live, how we move around, and the industries we support. However, as a steep coastal city with many of our emergency lifeline routes and other critical assets situated at or near sea level, the functioning of our city depends on our infrastructure adapting and being resilient to climate change. Issues include:

- Global warming
- Increased frequency and intensity of extreme weather events
- Coastal hazards
- Climate adaptation costs.

4. *Earthquake hazards and earthquake prone buildings*

Wellington is built on shaky ground due to its location on an active tectonic boundary, and climate change makes things worse by causing land to sink and saturate the soil in low-lying areas. This combination increases the likelihood and severity of natural disasters in the city. Considerations include:

- Landslides
- Earthquakes
- Earthquake prone buildings.

5. *Affordability and deliverability*

The costs of maintaining, operating, renewing, and upgrading infrastructure are big and have been increasing quickly since the global pandemic. Obtaining the funds to improve our infrastructure is also becoming challenging as the costs increase. Local government funding is therefore a pressing issue and Councils are working with central government to address the funding issues and find a sustainable system for the future. Challenges include:

- Limited funding tools
- High inflation putting pressure on construction costs
- Constrained capacity of the construction market to deliver
- Increasing insurance costs.

We also recognise that we have not always consistently delivered the planned infrastructure programme. To ease the increase in everyday costs, and have a programme that can be fully delivered, all the individual budgets included in the draft Long-term Plan have been scrutinised and refined. The focus has been on ensuring we're delivering core services. A key part of ensuring deliverability includes a focus on budgeting for 75% of renewal spending (refer to the Infrastructure Strategy in Volume 3 from page X for more information).

Responding to the challenges

Solutions to these challenges are not simple. There is also a better outcome if we think holistically. We can achieve this by taking a consistent approach using sustainable principles in projects, and through collaborative and integrated planning. Five principal options for addressing our infrastructure challenges in the long-term are outlined in the Infrastructure Strategy:

1. *Prioritise growth areas*
    - Phase investment for growth and urban form.
    - Coordinate land use and infrastructure for cost-effective growth.
    - Select priority areas: Tawa, Johnsonville, Central City, and Newtown.
    - Focus on three waters network resilience and growth planning.
2. *Target emissions reductions for the greatest gains and operational efficiency*
    - We have set an objective of net-zero emissions by 2050 through Te Atakura: First to Zero Strategy, with a target of a 57% reduction in city and the Council emissions by 2030.
    - We've made progress already, with a 10% reduction in city emissions, and a 44% reduction in Council emissions.
    - We have an emissions reduction plan which focuses on decarbonisation through electrification and efficiency. Council actions include electrifying our vehicle fleet and degasifying facilities such as heated pools.

3. *Grow our understanding of climate impacts and adaptation costs*
    - Understand climate risks and embed resilience from the outset. This is critical for ensuring we meet our objectives for assets in terms of serviceability, financial return and social outcomes.
    - Base our planning for climate change on modelling by NIWA for the Wellington Region, to anticipate heightened risks.
    - Focus on gaining a systematic quantitative understanding of the localised impacts and developing adaptation plans, enabling us to plan for climate adaptation costs alongside future asset renewal cycles.
4. *Carry out strategic rationalisation to better manage the overall asset portfolio*
    - Make sure our assets match what the community needs before spending on repairs or new assets. Consider selling or getting rid of some assets.
    - Take a careful look at all assets, conducting strategic reviews, to ensure investments are financially sustainable and contribute to community outcomes.
    - Foster coordination and integration across the whole organisation and city.
    - Identify inefficiencies and overlaps in operating models and infrastructure.
    - Use accurate asset condition data to assess and manage the assets in an effective manner.
    - Remain abreast of technological advancements to address evolving community needs and enhance asset management practices.
    - Employ a balanced approach of reactive and proactive investment; prioritising longevity and cost-effectiveness.
    - Assess the necessity and potential for upgrades or replacements before undertaking asset renewal initiatives.
    - Target renewals at 75% of unconstrained forecasts for the first 10 years, with the exception of the three waters network.
5. *Prioritise the interventions and work programme for affordability and deliverability*
    - Apply a hierarchy of interventions, considering lower cost interventions before higher cost interventions; integrated land use and infrastructure planning, managing demand, making best use of what we have, and using best practice in business case development.
    - Reprioritise and rephase the capital programme to manage affordability.
    - Maintain financial capacity for the future.
    - Adjust to external cost pressures.
    - Prioritise non-asset solutions to maximise the use of our assets and deliver value for money and operational efficiency.

We cannot afford to continue maintaining, operating, and renewing all our assets as we have in the past e.g. adding more assets when affordability was less of an issue. This is now not sustainable. Therefore, we must pause and reset. This means taking a careful look at all of our assets and by conducting strategic reviews.

Financial affordability for both the Council and ratepayers means that we must focus on doing the right things at the right time in the most cost-effective way whilst deliberately managing risk. We will prioritise non-asset solutions to maximise the use of our assets and deliver value for money and operational efficiency.

The focus of the Infrastructure Strategy is addressing our infrastructure challenges. These challenges are heavily linked to the financial challenges, which are addressed in the Financial Strategy (in full in Volume 3 from page X), for example:

- The Council and residents of the city are facing affordability constraints. With higher interest rates, a greater proportion of rates income is being used to service our increasing debt, and with current high inflation our money does not stretch as far. For residents, the ability to pay more rates is limited, so we need to find ways to deliver the Council's operations within a constrained funding environment.
- Balance sheet (what we own and owe) resilience addresses the challenges of managing our capital expenditure and investments to support long-term financial sustainability and resilience.

Key infrastructure

- 2,757km of pipes across our three waters network
- 105 three waters pump stations
- Two wastewater treatment plants (Moa Point and Kārori)
- The Southern Landfill, Capital Compost, the Tip Shop and Recycle Centre
- 904km of footpaths
- 19,000 streetlights
- 700km of roads, with 40km of bike lanes, 8km of bus priority lanes and 2km of bridges and tunnels
- 200 seawalls
- Buildings and grounds for various cultural and sporting activities including the Town Hall, Tākina, TSB Bank Arena, Te Whaea National Dance and Drama Centre, Sky Stadium, Basin Reserve and City Gallery
- 275 social housing buildings
- 4,305ha of parks, reserves and beaches
- 387km of walking and biking tracks
- Botanic Gardens, Berhampore Golf Course, Berhampore Nursery, Clyde Quay Boat Harbour and Evans Bay Marina.
- 44 natural and 11 artificial sportsfields
- 4 cemeteries
- 108 playgrounds
- 7 skate parks
- 277 community facilities including: 7 swimming pools, 12 libraries, 5 recreation centres, 25 community centres, 1 marae, 13 community spaces in Council housing buildings, and 83 public toilets

Our strategic framework

The Community Outcomes and Strategic Priorities were identified with the Council and the community by looking at the data and evidence relating to the LTP Outcomes and Priorities, as well as the commitments made through various strategies. Our community outcomes are our long-term goals – what we want for the city in the next 10+years. The Council developed a set of strategic priorities, designed to look at what we want to achieve in the mid-term (3–10 years) which will support our journey to achieving our community outcomes. We tested these with the community using an online survey and community engagement hui in April and May 2023. The results of this mahi was reported on Let's Talk – **Phase 1: Outcomes and Priorities | Let's Talk | Wellington City Council**.

Priorities

From this we have nine strategic priorities that will guide our investment and help us to measure the impact of this investment.

Four of the strategic priorities are focused on significant infrastructure investment:

- Fix our water infrastructure and improve the health of waterways
- Transform our transport system to move more people with fewer vehicles
- Invest in sustainable, connected and accessible community and recreation facilities
- Transform our waste system to enable a circular economy

Five of the strategic priorities are focused on ongoing efforts that require community engagement, partnerships, and efficient and effective regulation and service delivery:

- Collaborate with our communities to mitigate and adapt to climate change
- Revitalise the city and suburbs to support a thriving and resilient economy and support job growth
- Increase access to good, affordable housing to improve the wellbeing of our communities
- Nurture and grow our arts sector
- Celebrate and make visible te ao Māori across our city

Strategic Approaches

Our five strategic approaches act as a lens and are embedded in everything we do.

Integrating te ao Māori	**Making our city accessible and inclusive for all**	**Embedding climate action**	**Engaging our community**	**Value for money and effective delivery**
We are building a future where Te Tiriti is honoured through robust relationships with our Tākai Here partners and Māori communities. By integrating Māori perspectives and thinking into every aspect of our work, we are maximising positive outcomes for Māori and fostering a more inclusive and equitable society for all.	We are creating a future where everyone can effortlessly find information, access our services, and engage in social and economic activities. Accessibility is for all – including those with mobility impairments, the neurodiverse, the elderly, children, individuals who are blind or have low vision, the d/Deaf community, non-English speakers, parents with pushchairs, and people with temporary injuries. By removing barriers, we are making inclusivity a reality for everyone.	We are proactively addressing the effects of climate change with urgency, supporting Wellingtonians to do the same. Through our continued efforts in biodiversity planning, we aim not only to minimise harm but to create positive environmental impacts. By acknowledging and preparing for future climate changes, we are committed to safeguarding and enhancing our environment for generations to come.	We are committed to engaging with Wellingtonians in ways that respect and reflect our diverse cultural contexts, ensuring every community voice is heard. By collaborating with communities to understand their aspirations for Wellington, we utilise a variety of methods to enhance the diversity, quality, and accessibility of our engagements. Our decision-making processes are evidence-informed, transparent, and focused on achieving the best outcomes for both current and future generations.	We are committed to using our resources efficiently and effectively to achieve the best possible outcomes, even within a constrained funding environment. By delivering high-quality, well-managed programmes and projects, we maximise value for our residents and our city. Additionally, we will actively seek innovative funding solutions, including advocating for central government support, to further enhance our initiatives and services.

Cultural Outcome: A welcoming, diverse and creative city

For Wellington, a welcoming, diverse and creative city is one that:

- celebrates and uplifts te ao Māori,
- champions the arts, and
- embraces heritage, creativity, curiosity, and expression of our multi-cultural communities and identities.

We plan to:

- Bring the city to life with the possibility of art and culture around every corner.
- Integrate cultural heritage into our urban form.
- Enable built heritage to adapt and change to meet present and future needs such as accessibility, earthquake resilience and climate change.
- Support the arts, culture, and creative sector ecosystem through our activities.
- Celebrate our multi-cultural diversity by encouraging and enabling local events and festivals.
- Continue to work with Rainbow and Disabled communities to make their stories and histories visible and create safe, accessible spaces.
- Increase the presence of te ao Māori by supporting a growing understanding and recognition of local iwi narratives, identities, histories, and landmarks.

Investments to deliver on the Strategic Priorities

Celebrate and make visible te ao Māori across our city

- Shifting the focus of grant funding to local arts.
- Embedding Tūpiki Ora across Wellington City Council's services and activity areas. This will lead to a transformed city through:
    - An increasing number of streets, public spaces, and facilities with te reo Māori names
    - Urban design that reflects Māori histories and identities
    - Te Matapihi ki te Ao will demonstrate a narrative and perspective that is grounded in iwi history
    - Increased Māori capability across all of Council. An increased focus on Puanga in advance of Matariki celebrations, which is centred on the narrative and experience of local iwi.
    - Investment into Kaiwharawhara Stream will enable the mauri to be restored and allow all communities to better understand the significance of the stream to our Tākai Here partners.
- The Tākai Here partnerships programme provides ongoing contributions to infrastructure and community programmes.

Nurture and grow our arts sector

- Shifting the focus of grant funding to local arts.
- Developing alternative venues options for Toi Pōneke, to support artists, dancers, theatre practitioners, musicians and other artists.
- Continue the earthquake strengthening work for reopening the Wellington Town Hall in 2026. The Town Hall is a Grade One listed heritage building and is nearly 120 years old. It has been closed since the Seddon earthquake in 2013.
- Upgrading venues including an HVAC system for TSB, minor strengthening works on Bond Store, and façade strengthening work on the Opera House.
- Supporting, sponsoring and delivering events across the city to continue delivering a diverse range of cultural experiences for residents and visitors to the city.

Social Outcome: A city of healthy and thriving whānau and communities

For Wellington, a city of healthy and thriving whānau and communities is a city:

- where people feel safe and connected
- that takes an equity approach to caring for its people and
- provides awesome, vibrant and diverse places to meet and play

Our priorities are to:

- Increase access to good, affordable housing to improve the wellbeing of our communities
- Invest in sustainable, connected and accessible community and recreation facilities

We plan to:

- Deliver equitable outcomes for people who need more āwhina (support).
- Create safe and interesting environments that encourage social connections.
- Evolve towards a more sustainable, resilient and cohesive community facilities network, for people to connect, have fun and belong.
- Deliver a flourishing network of parks and recreation opportunities, interwoven into everyday life, that supports Wellingtonians to live well and connect to nature and each other.
- Improve the systems and processes of our public health and safety regulations and enforcement to ensure safety in our city and to make it easier to do business.
- Continue to support emergency preparedness and response.

Investments to deliver on the Strategic Priorities

Increase access to good, affordable housing to improve the wellbeing of our communities

- Complete Phase 2 of the Social Housing upgrade
- Continue our efforts towards meeting the target of providing 1,000 Te Kāinga affordable rental apartments by 2026. To date, we have opened three apartment buildings along Willis Street, comprising 210 units, with a fourth building of 78 units about to open.

Invest in sustainable, connected and accessible community and recreation facilities

- Begin design and engagement for the Grenada North Park sports field upgrades will begin, with the aim of initiating works in the early years of the LTP.
- Complete the new Kilbirnie skate park facility.
- Keep the Khandallah Pool open for at least a year before making a decision on its future. Establish a community advisory group to consider an engineering review and to identify whether it is possible to fix the pool within the current $7.5m budget.
- Remediate the earthquake prone Kilbirnie Recreation Centre by 2028.
- Continue the work on Te Matapihi (the central library), progressing toward the scheduled opening in 2026. This project has been substantial, involving the earthquake strengthening of the building foundation and the reconstruction and reconfiguration of the library.
- Upgrade two dog parks to support the recent changes to the Dog Policy.
- Improve quality and provision of neighbourhood parks to support anticipated population growth (50,000-80,000 over 30 years).
- Create and enhance parks to ensure they are well-utilised, accessible, and fit-for-purpose.
- Overcome barriers such as lack of toilets, accessibility, and safety concerns.
- Meet increasing demand for quality, accessible, and resilient trails.

Economic Outcome: An innovative business friendly city

For Wellington, an innovative business friendly city is:

- provide good jobs for people
- operates successfully in a dynamic zero-carbon circular economy, and
- has efficient and fit-for-purpose regulatory processes.

Our priority is to:

- Revitalise the city and suburbs to support a thriving and resilient economy and support job growth.

We plan to:

- Build relationships with businesses and foster collaboration to improve city precincts and enhance the night-time economy.
- Work with businesses and tertiary education providers and deliver business capability programmes to support transitioning to a circular economy, job creation, career development and to build skills for the future workforce.
- Refocus and redesign regulatory services and interactions to be customer centric.
- Make procurement choices that support local business and employment ecosystems to thrive.
- Upgrade suburban town centres to improve the appeal of shopping and connecting with others locally.

Investments to deliver on the Strategic Priorities

Revitalise the city and suburbs to support a thriving and resilient economy and support job growth

- Use City Growth funding to revitalise the central city precinct, beginning with Courtenay Place.
- Progress the scheduled City Streets and Golden Mile projects as planned.
- Continue work on the new public park, Fredrick Street Park, situated alongside the Chinese Mission Hall and a new residential apartment block on Frederick Street.
- Over the next three years, we will investigate the best course of action for Te Ngākau Civic Square area. This includes the former Capital E building, the basement supporting the Town Hall, Te Matapihi, and the 'City to Sea' bridge to the waterfront. Options under consideration include the possibility of demolishing these structures.
- We will also explore potential options for earthquake-prone venues, including the Michael Fowler Centre, Bond Store, and Opera House.
- Include a new general rates differential for vacant land and derelict buildings to promote development in the city and ensure that owners of vacant sites and derelict buildings pay their fair share of costs. (For details, see the Rating Policy in Volume 2, from page X).

Urban Form: A liveable and accessible, compact city

For Wellington, a liveable and accessible, compact city has:

- affordable, warm, dry housing,
- zero-carbon accessible transport choices,
- resilient infrastructure fit for growth, and
- proudly visible te ao Māori and multicultural heritage.

Our priorities are to:

- Transform our transport system to move more people with fewer vehicles

- Collaborate with our communities to mitigate and adapt to climate change

We plan to:

- Work with Greater Wellington Regional Council to urgently deliver bus priority improvements, that support reduced travel times and increase the reliability of the services.
- Improve accessibility, safety, and resilience when maintaining and improving our roads, cycle lanes and footpaths.
- Work closely with the community in the delivery of cycleways and alternative transport choices for non-cyclists.
- Utilise the skills of Māori, mana whenua and local artists and creators to create a sense of place and identity when investing in infrastructure and placemaking.
- Ensure the lighting and cleanliness of the city supports a high-quality experience across the city.
- Improve planning and logistics for emergency responses, including slips, ensuring we work closely with disabled people to meet their needs effectively during emergencies.
- Address the earthquake resilience of Council-owned buildings and find creative ways to support private building owners to find solutions for their earthquake prone buildings.

Investments to deliver on the Strategic Priorities

Transform our transport system to move more people with fewer vehicles

- ~~Continue the rollout of the Paneke Pōneke Bike Network Plan. We plan to maintain the current rollout pace but at 85% of the planned cost, utilising higher-quality materials, including those used during the trial.~~
- Progress the highest priority people friendly streets projects such as a second bus priority route through the central city and improvements on the routes between the CBD and Miramar for biking, walking and bus priority.
- Developing, completing, and implementing 19 parking management plans. We have already introduced small changes to Newtown East (hospital side of the suburb) regarding the parking scheme and time restrictions as part of the Newtown Parking Plan. We will monitor the scheme until mid-2025 before making further modifications and finalising it.
- Continue public EV charger roll out (in Year 1 only).
- ~~Every second year, we will commit to upgrading a town or suburban centre, aiming to enhance safety and access within the town centre and creating an attractive and functional space for community activity.~~

Collaborate with our communities to mitigate and adapt to climate change

- Continue the programme of renewals and upgrades of transport network resilience, including on key routes. Increased investment in retaining walls across the network.
- Progress an urban greening programme in the Central City to commence delivery of the Green Network Plan.
- Develop of local Climate Adaptation Plans to support the most affected communities, and prepare and adapt to the unavoidable impacts of climate change.
- Green the central city over the next 30 years.
- Develop two new urban parks, improve 20 existing urban spaces, and double the number of street trees (to 4,000) in the next 10 years.
- Respond to city growth and redevelopment by acquiring land for new parks and open spaces.

Environmental Outcome: A city restoring and protecting nature

For Wellington, a city restoring and protecting nature includes:

- providing easy access to nature,
- with systems to reduce waste and

- thriving biodiversity and nature-based solutions in natural and urban environments

Our priorities are to:

- Transform our waste system to enable a circular economy.
- Fix our water infrastructure and improve the health of waterways.

We plan to:

- Weave biodiversity through our urban landscape and continue to regenerate, protect and preserve our native plants and animals, following a strong biodiversity plan.
- Maintain green spaces, and when investing in infrastructure, parks, and open spaces:
    - Reflect Te Tiriti o Waitangi, our Tākai Here partnership and mātauranga Māori
    - Improve access to nature for all ages and abilities
    - Respond to the needs of the community
    - Adapt to climate change
- Improve the resilience of our roads and other infrastructure to reduce the risk of slips caused by heavy rainfall and climate change, and support the community to do the same.
- Establish infrastructure and systems to increase resource circularity.

Investments to deliver on the Strategic Priorities

Transform our waste system to enable a circular economy

- Continue with the construction of the Sludge Minimisation Facility at Moa Point. Construction began in May 2023 and the expected completion date is around mid-2026. This facility will reduce the amount of sludge currently created and being deposited into the Southern Landfill by 60%, by creating a stable, dry, odourless product that can be more easily transported, and used in productive ways such as a soil conditioner and fuel for industrial heat.
- Continue creating a new landfill on top of an old one at the Southern Landfill. Resource consent was lodged in March 2023, a decision is due by mid-2024, and construction is expected to begin in late 2024. The new landfill is expected to be completed and operating in June 2026, which is when the resource consent for the current landfill expires.
- Implement the new kerbside collection system to include organics and increase the volume of recycling collected.

Fix our water infrastructure and improve the health of waterways

- Invest significant capital expenditure to fix our water infrastructure, including seismic improvements at the Wrights Hill drinking water reservoir, 'Very high criticality assets' reservoir water quality renewals, stormwater improvements, the CBD pump station rising main programme, renewal of the rising main on Victoria St, remediation work on the Karori effluent pipelines, renewals of some critical wastewater assets at the Moa Point and Western Wastewater Treatment Plants.
- Investigate and install water meters to make it easier to identify leaks and manage water losses throughout the network, and to reduce demand for water.

Ngā Kaikaunihera | Your Councillors

Wellington City Council is made up of 15 councillors and a Mayor. Like all other local authorities in New Zealand, the Council is elected every three years. The Mayor is elected “at large”, meaning by all the city’s residents. Councillors are elected by voters from their respective geographical areas (wards). The last election was on 8 October 2022, with a by-election on 17 February 2024 in the Lambton Ward. We also have two Pouiwi representatives of our mana whenua partners who sit on our Council committees.

Mayor Tory Whanau
Elected: 2022

Chair: Te Kaunihera o Pōneke | Wellington City Council, and Ngutu Taki | CEO Performance Review Committee

mayor@wcc.govt.nz

Deputy Mayor Laurie Foon
Paekawakawa Southern Ward
Elected: 2019

Deputy Chair: Te Kaunihera o Pōneke | Council and Unaunahi Ngaio | Chief Executive Performance Review Committee

laurie.foon@wcc.govt.nz

Councillor Nureddin Abdurahman
Paekawakawa Southern Ward
Elected: 2022

Deputy Chair: Kōrau Mātinitini | Social, Cultural, and Economic Committee

nureddin.abdurahman@wcc.govt.nz

Councillor John Apanowicz
Takapū Northern Ward
Elected: 2022

Deputy Chair: Kōrau Tōtōpū | Long-term Plan, Finance, and Performance Committee

john.apanowicz@wcc.govt.nz

Councillor Tim Brown
Motukairangi Eastern Ward
Elected: 2022

Chair: Kōrau Tūāpapa | Environment and Infrastructure Committee

tim.brown@wcc.govt.nz

Councillor Diane Calvert
Wharangi Onslow-Western Ward
Elected: 2016

diane.calvert@wcc.govt.nz

Councillor Ray Chung
Wharangi Onslow-Western Ward
Elected: 2022

ray.chung@wcc.govt.nz

Sarah Free
Motukairangi Eastern Ward
Elected: 2013, and served as Deputy Mayor 2019–2022

Chair: Koata Hātepe | Regulatory Processes Committee

sarah.free@wcc.govt.nz

Councillor Rebecca Matthews
Wharangi Onslow-Western Ward
Elected: 2019

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

Deputy Chair: Kōrau Tūāpapa | Environment and Infrastructure Committee

rebecca.matthews@wcc.govt.nz

Councillor Ben McNulty
Takapū Northern Ward
Elected: 2022

Deputy Chair: Koata Hātepe | Regulatory Processes Committee

ben.mcnulty@wcc.govt.nz

Councillor Teri O’Neill
Motukairangi Eastern Ward
Elected: 2019

Chair: Kōrau Mātinitini | Social, Cultural, and Economic Committee

teri.oneill@wcc.govt.nz

Councillor Iona Pannett
Pukehīnau Lambton Ward
Elected: 2007

iona.pannett@wcc.govt.nz

Councillor Geordie Rogers
Pukehīnau Lambton Ward
Elected: 2024 (by-election)

geordie.rogers@wcc.govt.nz

Councillor Tony Randle
Takapū Northern Ward

Elected: 2022

Deputy Chair: Unaunahi Māhirahira | Audit and Risk Committee

tony.randle@wcc.govt.nz

Councillor Nīkau Wi Neera
Te Whanganui-a-Tara Māori Ward
Elected: 2022

Chair: Pītau Pūmanawa | Grants Subcommittee

nikau.wineera@wcc.govt.nz

Councillor Nicola Young
Pukehīnau/Lambton Ward
Elected: 2013

Deputy Chair: Pītau Pūmanawa | Grants Subcommittee

nicola.young@wcc.govt.nz

Holden Hohaia
Pouiwi / Mana Whenua Representative

Contact: holden.hohaia@wcc.govt.nz

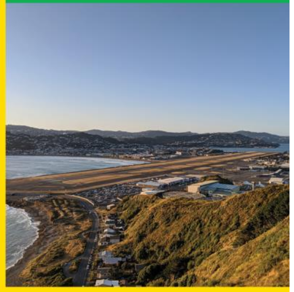
Liz Kelly
Pouiwi / Mana Whenua Representative

Contact: liz.kelly@wcc.govt.nz

Tō te Kaitātari Kaute Whakaaro | Independent Auditors Report

Tō mātou mahere ngahuru tau
Our 10-year Plan

2024-34 Long-term Plan Volume 2 – Our activities and financial information



Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

Changes to this document are reflected in other financial information that is included as part of the amendment of the 2024-25 Long-term Plan.

1. Te mana urungi

Governance

Our governance work includes all the activities that support Council decision-making and ensure we are accountable to the people of Wellington.

Overview

Our governance activities include managing local elections, informing residents about the city and the issues or challenges it faces, listening to residents' views and making decisions in the best interests of Wellingtonians. This area also drives our focus on being open and talking with people who live in Wellington about the plans and decisions we make for our city. We also operate the City Archives, where the public can access historic information about Wellington, and property information. The Governance activity is responsible for the development of strategies, policies and plans.

The key groups of activities under this strategic area are below, along with their alignment to the Council's strategic direction that is outlined in Volume 1, page 36.

Our Tākai Here and Te Tiriti Commitment

Our commitment underpins all Council decision making, governance information and engagement activities. The Tūpiki Ora Māori Strategy priorities agreed with Tākai Here partners, includes that Council decision-making is underpinned by Te Tiriti o Waitangi and actively includes and considers Māori and mana whenua perspectives and values. More information on this commitment is in Volume 1 and Volume 3 in our Strategic Direction sections.

Key activity groups

Activity Group	Community outcome	Strategic priority (where applicable)	Key strategies or plans
1.1 Governance, information and engagement	Social wellbeing: A city of healthy and thriving whānau and communities	Governance activities contribute to all of the strategic priorities through managing the decision-making processes.	▪ Tūpiki ora Māori Strategy ▪ Te Atakura | First to Zero – Zero Carbon Strategy ▪ Infrastructure Strategy 2024 ▪ Finance Strategy 2024

How we will embed Strategic Approaches in this activity

Strategic Approaches are about how we will deliver our work. They are important and will be applied to everything we do.

Integrating te ao Māori	Ensure the voices and perspectives of our Tākai Here partners hapori Māori, rangatahi, takatāpui and whānau hauā/ tangata whai kaha are uplifted, valued and embedded in decision-making. Support whānau wellbeing through Council activities, decisions, and planning.
Making our city accessible and inclusive for all	Continue to work to improve the accessibility of our decision-making, information, services and how we communicate and engage with our communities. Ensure efforts are made to overcome barriers and address disparities in participation in everyday activities.
Embedding climate action	Through our actions and decisions, we support an approach to climate change solutions that are fair and equitable for all involved. We will support community discussions and planning to mitigate the impacts of climate change.
Engaging our community	Focus on inclusive and transparent decision making and seeking community feedback on the effectiveness of, and satisfaction with, our programmes.

Value for money	Make future focused, strategic and integrated decisions with sound information and research.

1.1 Te mana urungi, ngā pārongo me te whai wāhi

Governance, information and engagement

Purpose

Our governance work includes all of the activities that support Council decision-making and ensures we are accountable to the people of Wellington.

This includes:

- running local elections
- holding meetings;
- informing residents about the city and our work; and
- seeking input from residents and engaging them in our decision-making.

Activities

Activities in this group	Services we deliver
1.1.1 City governance and engagement	Providing accurate and professional advice, research and administrative support to elected members and community boards Organising local body elections, and encouraging all Wellingtonians to have their say on who will govern their city A contact centre and website providing 24/7 access to information and a place to log service faults Facilitating community engagement and consultation on key decisions facing the city, including facilitating input from Council advisory groups Provide information to the public about our services and change proposals
1.1.2 Civic Information	Setting policy and bylaws, carrying out planning and budgeting and reporting our performance
1.1.3 City Archives	Management of archival information in line with legislation

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
1.1 Governance, information and engagement	We do not anticipate any significar negative effects associated with th provision of these services.	

Rationale for Activities

- To ensure the Council meets the requirements of the Local Government Act and other statutory requirements.
- To ensure that residents of Wellington are actively involved in decision-making for the city and have access to information.
- To develop, maintain and inspire meaningful partnerships so that our partnerships with mana whenua, tangata whenua and Māori within our community are mana enhancing.
- To weave te ao Māori knowledge and research together so that Māori are empowered by Council to prosper and succeed as Māori.
- To provide Māori organisational leadership so that Māori are empowered to engage with the Council.

Statement of levels of service and performance measures

Activity – 1.1 Governance, information and engagement

Level of service statements:

- Facilitate democratic decision making and provide open access to information to build trust and confidence.
- Reduce organisational greenhouse gas emissions.

Key Performance Indicator	Service dimension	Baseline	Target	
(%) Meeting and committee agendas made available to the public within statutory timeframes [1]	Accessibility	100% (22/23 FY)	100%	
% of residents who believe they have adequate opportunities to participate in city decision-making and have their say in Council activities	Accessibility	38% (RMS2024)	40%-45%[2]	
(%) Residents who agree that Council information is easy to access (via website, libraries, social media)	Accessibility	49% (22/23 FY)	55%	
Council's consultations are implemented in accordance with the principles of the Local Government Act 2002	Reliability	100% (April 2024)	100%	Quarterly
(%) Contact Centre contacts responded to within target timeframes[3]	Responsiveness	90% (22/23 FY)	90%	Quarterly
By 2027 overall channel reach will be more than 26 million	Accessibility	25,553,377 (Sept 2023)	>26 million	Annual
WCC Group greenhouse gas emissions (tCO^2-e decreasing)	Sustainability	Total 98,791 (Scope 1 48,978; Scope 2 2,072; Scope 3 47,742) (FY22/23)	Achieve 2050 target of net zero	Annual

[1] The statutory timeframe is defined as at least two working days before every meeting as per the Local Government Official Information and Meetings Act 1987

2. The target of 40-45% has been set using data from the 2021-31 LTP KPI and baseline results from the question relating to this KPI run in the 2024 Residents Monitoring Survey
3. The target timeframes are defined as; % of calls handled answered within 240 seconds; % of emails received responded to within 24 hours

Key service level changes

Community Engagement

We will invest in an Ethnic Communities Forum and establish a new Ethnic Communities Advisory Group at a per year additional cost of $130,000.

Affordability

While most core services remain unchanged, we will stop collecting community archives from the public at the City Archive. This is a cost neutral level of service change, which will reduce the longer-term requirements for both physical storage and resourcing to manage this material.

Additionally, we are reallocating resources from climate mitigation initiatives to enhance our focus on adaptation planning and engagement.

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
1.1.1 City governance and engagement	Expense	11,948,776	13,087,827	11,710,452	12,319,642	13,283,993	12,749,258	13,482,548	14,714,483	14,172,334	14,979,459
	Income	(26,781)	(221,901)	(27,945)	(28,531)	(236,176)	(29,655)	(30,218)	(249,895)	(31,347)	(31,911)
1.1.2 Civic information	Expense	7,526,393	7,766,777	7,699,220	8,055,816	8,304,889	8,449,094	8,762,291	9,115,671	9,339,992	9,641,872
	Income	(342,250)	(349,437)	(284,083)	(290,048)	(295,849)	(301,470)	(307,198)	(313,035)	(318,670)	(324,406)
1.1.3 City Archives	Expense	2,783,412	3,559,715	3,619,327	3,719,688	3,798,973	3,858,166	3,964,818	4,072,544	4,148,863	4,241,113
	Income	(147,748)	(150,851)	(154,169)	(157,407)	(160,555)	(163,606)	(166,714)	(169,882)	(172,940)	(176,053)
Total		21,741,802	23,692,131	22,562,802	23,619,159	24,695,275	24,561,787	25,705,526	27,169,885	27,138,234	28,330,074

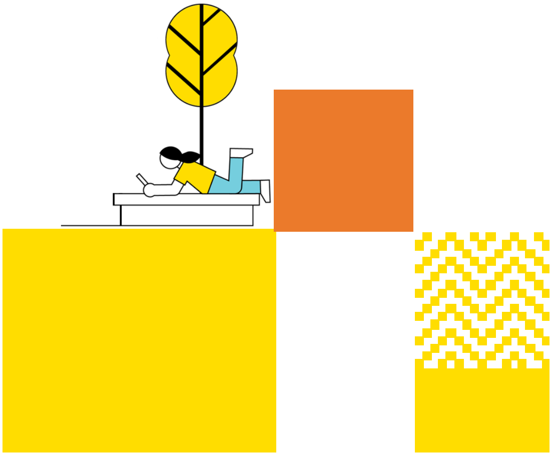
Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
1.1.1 City governance and engagement	0	146,449	0	0	0	0	0	0	0	0
Total	0	146,449	0	0	0	0	0	0	0	0

Funding impact statement ($000s)

1.1 Governance Information and Engagement	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	22,248	24,198	23,069	24,125	25,201	25,068	26,212	27,176	27,144	28,336
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Fees and charges	517	722	466	476	693	495	504	733	523	532
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	**22,765**	**24,920**	**23,535**	**24,601**	**25,894**	**25,563**	**26,716**	**27,909**	**27,667**	**28,868**
Applications of operating funding										
Payments to staff and suppliers	13,898	15,263	14,149	14,579	15,470	14,963	15,517	16,401	15,863	16,487
Finance costs	30	33	36	38	40	43	47	54	55	56
Other operating funding applications	10	10	10	10	10	10	10	10	10	10
Internal charges	7,816	8,069	7,778	8,410	8,853	9,041	9,640	10,442	10,737	11,314
Total applications of operating funding (B)	**21,754**	**23,374**	**21,974**	**23,037**	**24,373**	**24,057**	**25,214**	**26,907**	**26,665**	**27,867**
Surplus (deficit) of operating funding (A-B)	**1,011**	**1,546**	**1,561**	**1,564**	**1,521**	**1,506**	**1,502**	**1,002**	**1,002**	**1,002**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(1,011)	(1,400)	(1,561)	(1,564)	(1,521)	(1,506)	(1,502)	(1,002)	(1,002)	(1,002)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**(1,011)**	**(1,400)**	**(1,561)**	**(1,564)**	**(1,521)**	**(1,506)**	**(1,502)**	**(1,002)**	**(1,002)**	**(1,002)**

1.1 Governance Information and Engagement	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	146	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(0)	(0)	(0)	0	(0)	(0)	(0)	0	(0)	(0)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**(0)**	**146**	**(0)**	**0**	**(0)**	**(0)**	**(0)**	**0**	**(0)**	**(0)**
Surplus (deficit) of capital funding (C-D)	**(1,011)**	**(1,546)**	**(1,561)**	**(1,564)**	**(1,521)**	**(1,506)**	**(1,502)**	**(1,002)**	**(1,002)**	**(1,002)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	**505**	**1,040**	**1,055**	**1,058**	**1,015**	**1,000**	**996**	**996**	**996**	**996**



Changes to this document are reflected in other financial information that is included as part of the amendment of the 2024-25 Long-term Plan.

2. Te Taiao me te Tūāhanga

Environment and Infrastructure

This area covers an extensive range of Council services, and includes everything from open spaces, waste reduction and energy conservation to water, wastewater and stormwater. Our conservation attractions Wellington Zoo and ZEALANDIA - Te Māra a Tāne, are also part of this portfolio.

Overview

Pōneke boasts rich parks and open spaces that support active recreation, thriving ecosystems, and climate resilience. Wellington Zoo and Zealandia support indigenous plants and wildlife to thrive. Parks and open space assets, especially coastal assets, will require more investment due to climate change, increasing storm events, and sea level rise. During the period 2024-2027, detailed climate adaptation planning will be conducted for key parts of the city, and this will help inform investment choices for the 2027-37 LTP. The landfill generates approximately 80% of the Council's emissions. Big waste asset investments are needed to shift from a model that manages waste to a system that enables people to avoid waste going to the landfill in the first place. Where available we will seek central government funding that enables this transition.

Despite meeting health standards, the current water supply network faces material challenges and does not meet all service levels. Many assets have exceeded their expected lifespan, with 31% of drinking water lost through public pipes and an additional 10% on private property. Around 30% of the network is at or near the end of its life, and over 50% will need replacement within 30 years. Prioritising leak repairs over additional supply investment is crucial to increase water availability.

Compliance with the National Policy Statement-Freshwater Management (2020) by 2040 is essential. This aims to improve freshwater quality, protect public health, and respect community aspirations. Upgrading wastewater assets is necessary to meet service levels, including replacing poor-condition pipes and preventing sewage overflows during heavy rain. Completing the sludge minimisation facility and increasing network capacity to prevent stormwater overflow are priorities.

The stormwater system's purpose is to prevent flooding and associated health risks by draining rainwater through pipes, culverts, and sumps, as well as overland flow paths and open channels. However, variations in design standards across the city mean some areas are more prone to flooding than others.

The key groups of activities under this strategic area are below, along with their alignment to the Council's strategic direction that is outlined in Volume 1, page 36.

Our Tākai Here and Te Tiriti Commitment

Our commitment underpins all nature and climate activities, including activities undertaken by Wellington Zoo Trust and Zealandia Te Māra a Tāne.

The Tūpiki Ora Māori Strategy action plan outlines our priorities in its waypoint, Tiakina te taiao | Caring for our environment, including that water quality and quantity initiatives are aligned to mana whenua and Māori aspirations, and our waste programme is being delivered in partnership with our Tākai Here partners wherever possible and in ways that are culturally sensitive and responsive to the histories of our Tākai Here partners.

More information on this commitment is in Volume 1 and Volume 3 in our Strategic Direction sections.

Key activity groups

Activity groups	Community outcome	Strategic priority (where applicable)	Key strategies or plans
2.1 Parks, beaches and open spaces	Social wellbeing: A city of healthy and thriving whānau and communities	Invest in sustainable, connected and accessible community and recreation facilities	■ Te Whai Oranga Pōneke – Open Spaces and Recreation Strategy ■ Our Natural Capital
2.2 Waste	Environmental wellbeing: A city restoring and protecting nature	Transform our waste system to enable a circular economy	■ Te Atakura | First to Zero – Zero Carbon Strategy ■ Green Network Plan ■ A zero-waste future for Wellington – Zero Waste Strategy ■ Wellington Regional Waste Management and Minimisation Plan
2.3 Water network 2.4 Wastewater 2.5 Stormwater	Urban form – A liveable and accessible, compact city	Fix our water infrastructure and improve the health of waterways	■ Spatial Plan – Our City Tomorrow ■ District Plan 2024 ■ Infrastructure Strategy 2024
2.6 Conservation organisations	Environmental wellbeing: A city restoring and protecting nature	Revitalise the city and suburbs to support a thriving and resilient economy and support job growth	■ Our Natural Capital

How we will embed Strategic Approaches in this activity

Strategic Approaches are about how we will deliver our work. They are important and will be applied to everything we do.

We are proud that this 10-year plan embeds five approaches to help guide the Council in all parts of our plan. How these approaches will be applied in this strategic area is outlined below.

Integrating te ao Māori	We recognise the unique role that Mana Whenua play as kaitiaki for te taiao and grounding our approach to environmental wellbeing in mātauranga Māori. Wai is also a priority for mana whenua and Hapori Māori. We will seek opportunities for co-design with our Tākai Here partners on initiatives that include our environment.
Making our city accessible and inclusive for all	Providing spaces in nature that are accessible and inclusive including by wheelchair and pushchair, as well as places to rest. We will encourage reuse, repurposing, recycling and processing by providing a network of services close to communities. We will seek to provide information that is accessible and easy to find and use so that the disabled community can find services and facilities that meet their individual needs. We will support the accessibility of parking spaces, and footpaths to enable everyone to access open spaces and attractions. We will continue to ensure everyone in Wellington has access to safe, clear water, and is serviced by wastewater and stormwater removal.
Embedding climate action	We will continue to embed climate change mitigation and adaption in all decisions and actions for our natural environment. We will utilise nature-based solutions to address infrastructure resilience and climate issues. We will continue to develop a waste system that reduces carbon emissions. We will ensure our city has the capacity and capability to manage and reduce its waste in extreme events and day-today operations. We will support the conservations organisations to work across the region and with communities to protect and enrich our natural environment - our streams, bush and birds for the health and safety of our people, our resilience to impacts of climate change and for the health of te taiao. We are planning for two additional water reservoirs to increase resilience in the face of climate change related droughts. As we find and repair leaks in the wastewater pipe network, we will seek to understand the sea level rise issues and include any mitigation as we go. We will focus on understanding where the greatest flooding risks are and prioritise investment in nature-based solutions and flood containment in those areas.
Engaging our community	Providing ongoing education and opportunities for residents to participate in climate change mitigation and adaptation efforts, to promote community resilience and engagement in the process. We will continue to provide waste education programmes in schools and communities, and actively involve the community in design and delivery of resource efficiency systems, contributing to a culture shift towards reduction of waste. Our conservation organisations provide spaces for residents and visitors to Wellington to directly engage and connect with te taiao and our indigenous plants and animals. We will continue to communicate and actively involve our community in our overarching water strategies and decision making.
Value for money	Making future-focused decisions that benefit future generations and consider the impact on the environment and climate change. We will manage rates and borrowing affordability by planning a renewals programme funded at 75% of projected requirements, prioritising assets with the worst condition levels. For operational and financial efficiency and overall affordability Wellington Water has prioritised repairing and replacing highest criticality assets in a very poor and poor condition. We will prioritise investment in stormwater filtration and flood protect in conjunction with or ahead of transport infrastructure investment, public realm, or housing development.

2.1 Ngā Māra, ngā matatāhuna, me tētehi papa wātea kākāriki nui

Gardens, Beaches and Green Open Spaces

Purpose

The city's parks, gardens and coastlines are what makes Pōneke a great place to live. They are integral to the health of the city and Wellingtonians by providing spaces to connect to te taiao, for recreation, community gatherings and events. One-eighth of Wellington's area is reserve and has been protected for generations. It is a vital and iconic part of Wellington's landscape and supports nature to thrive. Our open space and reserves are crucial to the city's response to climate change by acting as a carbon sink, supplementing the stormwater network, especially in severe weather events, and enhancing biodiversity in the city.

To ensure these spaces continue to contribute to a high quality of life for all Wellingtonians, we invest to protect, maintain and develop these areas.

The work we do makes the city's environment greener and more pleasant for all Wellingtonians – it improves our quality of life and sense of pride in the city. These spaces also make Wellington an attractive place to visit.

Activities

Activities in this group	Services we deliver
2.1.1 Parks and reserves	Managing and maintaining: 4,146 hectares of parks, reserves and beaches 160 buildings located in parks, reserves or beach areas for community use A number of heritage features are among these assets, including waahi tapu sites, archaeological sites, historic gates and heritage trees
2.1.2 Wellington gardens	Managing assets and maintaining the Wellington gardens Over 200,000m^2 of formally maintained horticultural areas Four gardens: Wellington Botanic Garden; Ōtari Wilton's Bush; Truby King Park and Bolton Street Cemetery
2.1.3 Beaches and coast	Managing and maintaining 42 coastal structures including boat ramps, wharves, slipways and seawalls
2.1.4 Urban ecology	Improving urban ecology through restoration planting and appropriate management of biosecurity issues and animal pests Supporting community environmental initiatives
2.1.5 Trails	Managing and maintaining 367 kilometres of recreational walking and mountain bike tracks Walk-able and ride-able surfaces catering for multiple use access, walking, buggies and mountain bikes unless specified otherwise.
2.1.6 Waterfront public space	Managing daily activity on the waterfront, including property management, parking, cleaning, security and general maintenance

Rationale for Activities

- To provide access to green open spaces. High quality natural and green environments contribute to off-setting our carbon emissions and enhance Wellington's sense of place – making it a great place to live, work and play.
- To provide public places to congregate. Accessible and high-quality open spaces encourage people to gather, share activities and connect with each other.
- To provide access to recreational opportunities. These activities provide high quality open spaces for a wide range of recreation activities, such as walking and mountain biking.
- Water sensitive urban design: The green network and spaces throughout the City are an important part of the stormwater network and will increasingly be used to supplement the underground network of pipes.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington.

Some of these activities may have some negative effects that need to be managed or mitigated.

Key service level changes

To manage affordability, Parks, beaches and open spaces services remain at current levels with no increases. This means a reduction in the previously planned upgrades across the activities in this grouping. There may also be some tactical green space service level changes in response to managing within tighter financial constraints, such as to garden bedding displays or mowing.

We will review several buildings in the activity, particularly waterfront commercial buildings, to assess their potential for future savings. Over the next 10 years we will also prioritise critical renewal and upgrade work, such as safety initiatives on the waterfront. However, there is funding in the Long-Term Plan in years 3 ($70,000) and 6 ($70,000) for two additional fenced dog exercise areas.

Alongside GWRC, we will contribute $100,000 per year to community organisation Capital Kiwi who will work with mana whenua and private landowners to continue to enhance landscape-level pest control, support biodiversity goals, and boosts tourism through the re-introduction of kiwi to the Wellington area.

~~The Begonia House upgrade will not be fully funded in this plan. The full budget required for the refurbishment and the preferred option for the facility is $25m. The current budget in the LTP is $7m for core maintenance work. We will do the minimum work to keep Begonia House operational within this budget.~~

Due to many of the Begonia House building components being at the end of their serviceable life and the need to make capital programme savings, we plan to demolish the building and landscape the area. This addresses the building safety concerns.

The capex review means we will be demolition the carpark to allow the Fale Malae project to happen. In the meantime, Frank Kitts carpark will remain open until we demolition.

Project will be rescaled down and will be rephased into the outer years.

Activity	Key negative effects	Mitigation
2.1 Gardens, Beaches and Green Open Spaces	Recreational use of the city's green open spaces can have negative effects on the immediate environment. In most cases, these are not significant.	In our management of the city's green open spaces, we seek to balance recreation needs against environmental protection.
	Service delivery in a challenging natural environment and managing effects of climate change.	Further analysis and investigation needs to be undertaken to understand the effects over the next 11 to 30-year period. Assets at risk need to be identified and decisions made around reinforcing or removing these assets.

Statement of levels of service and performance measures

Activity: 2.1 Gardens, Beaches and Green Open Spaces

Level of Service Statement: Provide access to green open spaces and enhance biodiversity to improve the quality of our natural environment.

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
(%) Residents satisfied with the quality and maintenance of open spaces (local parks and reserves, botanic gardens, beaches and coastal areas, walkways and trails, waterfront, forested areas, green belts)	Client Satisfaction	71% (22/23 FY)	80%	Annual
Cost ($) to the ratepayer per visitor to the Wellington Botanic Gardens and Otari-Wilton's Bush	Affordability	$4.70 (22/23 FY)	$7.00	Annual
(%) Perception that types of open spaces are easy to access, including walkways and trails, local parks and reserves, forested reserves, beaches, and coastal areas	Accessibility	78% (RMS 2024)	80%	Annual

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
~~2.1.1 Parks and Reserves~~	~~Expense~~	~~24,181,489~~	~~26,202,893~~	~~27,785,118~~	~~29,453,379~~	~~30,855,295~~	~~32,826,560~~	~~34,758,596~~	~~37,124,017~~	~~38,700,953~~	~~40,523,989~~
	~~Income~~	~~(1,275,491)~~	~~(1,301,793)~~	~~(1,330,432)~~	~~(1,359,702)~~	~~(1,388,255)~~	~~(1,416,020)~~	~~(1,442,925)~~	~~(1,470,340)~~	~~(1,498,277)~~	~~(1,525,246)~~
~~2.1.2 Wellington gardens~~	~~Expense~~	~~7,690,175~~	~~8,046,130~~	~~8,344,895~~	~~8,840,251~~	~~9,140,316~~	~~9,511,981~~	~~9,972,719~~	~~10,443,625~~	~~10,810,415~~	~~11,497,126~~
	~~Income~~	~~(878,630)~~	~~(788,600)~~	~~(805,949)~~	~~(823,680)~~	~~(840,977)~~	~~(857,796)~~	~~(874,095)~~	~~(890,702)~~	~~(907,626)~~	~~(923,963)~~
~~2.1.3 Beaches and coast~~	~~Expense~~	~~1,800,156~~	~~1,772,814~~	~~1,867,312~~	~~1,996,515~~	~~1,983,505~~	~~2,065,463~~	~~2,167,551~~	~~2,294,605~~	~~2,374,205~~	~~2,434,010~~
	~~Income~~	~~(60,105)~~	~~(61,307)~~	~~(62,656)~~	~~(64,034)~~	~~(65,379)~~	~~(66,686)~~	~~(67,953)~~	~~(69,244)~~	~~(70,560)~~	~~(71,830)~~
~~2.1.4 Urban Ecology~~	~~Expense~~	~~5,137,204~~	~~5,094,249~~	~~5,178,118~~	~~5,348,473~~	~~5,498,979~~	~~5,827,489~~	~~5,989,116~~	~~6,106,220~~	~~6,234,752~~	~~6,395,081~~
~~2.1.5 Trails~~	~~Expense~~	~~1,439,380~~	~~1,460,269~~	~~1,470,957~~	~~1,474,806~~	~~1,415,282~~	~~1,645,784~~	~~1,634,520~~	~~1,621,833~~	~~1,604,802~~	~~1,616,565~~
~~2.1.6 Wellington Waterfront~~	~~Expense~~	~~17,287,103~~	~~17,643,891~~	~~17,864,212~~	~~16,835,451~~	~~16,202,718~~	~~16,678,244~~	~~17,730,230~~	~~18,171,760~~	~~18,141,243~~	~~18,487,483~~
	~~Income~~	~~(501,636)~~	~~(514,686)~~	~~(526,009)~~	~~(537,332)~~	~~(548,361)~~	~~(559,068)~~	~~(569,690)~~	~~(580,514)~~	~~(591,269)~~	~~(601,912)~~
~~Total~~		**~~54,819,646~~**	**~~57,553,861~~**	**~~59,785,567~~**	**~~61,164,129~~**	**~~62,253,123~~**	**~~65,655,951~~**	**~~69,298,069~~**	**~~72,751,259~~**	**~~74,798,638~~**	**~~77,831,303~~**

~~**Capital Expenditure**~~

~~**Activity Component Name**~~	~~**2024/25**~~	~~**2025/26**~~	~~**2026/27**~~	~~**2027/28**~~	~~**2028/29**~~	~~**2029/30**~~	~~**2030/31**~~	~~**2031/32**~~	~~**2032/33**~~	~~**2033/34**~~
~~**2.1.1** Parks and Reserves~~	~~6,973,324~~	~~12,429,321~~	~~6,099,867~~	~~8,823,350~~	~~4,166,276~~	~~12,044,180~~	~~13,148,810~~	~~23,257,113~~	~~16,345,752~~	~~15,538,378~~
~~**2.1.2** Wellington gardens~~	~~1,311,440~~	~~3,800,530~~	~~5,827,611~~	~~519,528~~	~~3,500,788~~	~~2,429,288~~	~~642,134~~	~~2,695,966~~	~~4,350,273~~	~~2,685,157~~
~~**2.1.3** Beaches and coast~~	~~1,354,636~~	~~2,231,871~~	~~850,738~~	~~509,770~~	~~855,779~~	~~653,236~~	~~826,916~~	~~594,298~~	~~825,557~~	~~840,417~~
~~**2.1.5** Trails~~	~~1,342,644~~	~~1,216,789~~	~~1,933,901~~	~~3,264,445~~	~~2,708,986~~	~~3,128,915~~	~~3,649,847~~	~~1,478,932~~	~~1,679,563~~	~~3,386,071~~
~~**2.1.6** Wellington Waterfront~~	~~4,984,642~~	~~5,298,683~~	~~5,229,643~~	~~10,154,941~~	~~36,208,379~~	~~14,183,965~~	~~2,124,072~~	~~1,740,027~~	~~1,762,701~~	~~2,001,876~~
~~**Total**~~	~~**15,966,685**~~	~~**24,977,194**~~	~~**19,941,761**~~	~~**23,272,034**~~	~~**47,440,207**~~	~~**32,439,584**~~	~~**20,391,779**~~	~~**29,766,336**~~	~~**24,963,847**~~	~~**24,451,899**~~

Funding impact statement ($000s)

~~**2.1 Parks, Beaches and Open Spaces**~~	~~**2024/25**~~	~~**2025/26**~~	~~**2026/27**~~	~~**2027/28**~~	~~**2028/29**~~	~~**2029/30**~~	~~**2030/31**~~	~~**2031/32**~~	~~**2032/33**~~	~~**2033/34**~~
~~Sources of operating funding~~										
~~General rates, uniform annual general charges, rates penalties~~	~~52,063~~	~~57,707~~	~~59,939~~	~~61,317~~	~~62,406~~	~~65,809~~	~~69,451~~	~~72,903~~	~~74,950~~	~~77,983~~
~~Targeted rates (other than a targeted rate for water supply)~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~Subsidies and grants for operating purposes~~	~~190~~	~~87~~	~~89~~	~~91~~	~~92~~	~~94~~	~~96~~	~~98~~	~~100~~	~~102~~
~~Fees and charges~~	~~2,425~~	~~2,478~~	~~2,532~~	~~2,588~~	~~2,642~~	~~2,694~~	~~2,746~~	~~2,798~~	~~2,851~~	~~2,902~~
~~Interest and dividends from investments~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~Local authorities fuel tax, fines, infringement fees, and other receipts~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~**Total operating funding (A)**~~	~~**54,679**~~	~~**60,271**~~	~~**62,560**~~	~~**63,996**~~	~~**65,141**~~	~~**68,598**~~	~~**72,293**~~	~~**75,798**~~	~~**77,900**~~	~~**80,986**~~
~~Applications of operating funding~~										
~~Payments to staff and suppliers~~	~~28,090~~	~~29,104~~	~~30,101~~	~~31,227~~	~~32,132~~	~~33,952~~	~~35,027~~	~~36,182~~	~~37,201~~	~~38,399~~
~~Finance costs~~	~~5,929~~	~~6,670~~	~~7,251~~	~~7,610~~	~~7,987~~	~~8,519~~	~~9,221~~	~~10,068~~	~~10,226~~	~~10,404~~
~~Other operating funding applications~~	~~170~~	~~170~~	~~170~~	~~170~~	~~120~~	~~120~~	~~120~~	~~120~~	~~120~~	~~120~~
~~Internal charges~~	~~10,495~~	~~10,816~~	~~10,721~~	~~11,484~~	~~12,055~~	~~12,562~~	~~13,254~~	~~14,068~~	~~14,417~~	~~15,075~~
~~**Total applications of operating funding (B)**~~	~~**44,685**~~	~~**46,761**~~	~~**48,243**~~	~~**50,491**~~	~~**52,293**~~	~~**55,153**~~	~~**57,621**~~	~~**60,438**~~	~~**61,964**~~	~~**63,998**~~

~~2.1 Parks, Beaches and Open Spaces~~	~~2024/25~~	~~2025/26~~	~~2026/27~~	~~2027/28~~	~~2028/29~~	~~2029/30~~	~~2030/31~~	~~2031/32~~	~~2032/33~~	~~2033/34~~
~~Surplus (deficit) of operating funding (A-B)~~	**~~9,994~~**	**~~13,511~~**	**~~14,317~~**	**~~13,504~~**	**~~12,847~~**	**~~13,445~~**	**~~14,672~~**	**~~15,360~~**	**~~15,936~~**	**~~16,988~~**
~~Sources of capital funding~~										
~~Subsidies and grants for capital expenditure~~	~~0~~	~~0~~	~~0~~	~~0~~	~~6,520~~	~~2,768~~	~~0~~	~~0~~	~~0~~	~~0~~
~~Development and financial contributions~~	~~320~~	~~320~~	~~320~~	~~320~~	~~320~~	~~320~~	~~320~~	~~320~~	~~320~~	~~320~~
~~Increase (decrease) in debt~~	~~5,653~~	~~11,146~~	~~5,305~~	~~9,448~~	~~27,753~~	~~15,907~~	~~5,400~~	~~14,087~~	~~8,708~~	~~7,144~~
~~Gross proceeds from sales of assets~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~Lump sum contributions~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~Total sources of capital funding (C)~~	~~5,973~~	~~11,466~~	~~5,625~~	~~9,768~~	~~34,593~~	~~18,995~~	~~5,720~~	~~14,406~~	~~9,028~~	~~7,464~~
~~Applications of capital funding~~										
~~Capital expenditure~~										
~~- to meet additional demand~~	~~2,386~~	~~3,101~~	~~1,459~~	~~4,798~~	~~1,726~~	~~8,899~~	~~8,729~~	~~18,654~~	~~12,455~~	~~10,611~~
~~- to improve level of service~~	~~5,100~~	~~8,689~~	~~4,243~~	~~7,750~~	~~32,632~~	~~11,550~~	~~2,080~~	~~1,544~~	~~399~~	~~763~~
~~- to replace existing assets~~	~~8,481~~	~~13,187~~	~~14,240~~	~~10,724~~	~~13,082~~	~~11,990~~	~~9,582~~	~~9,568~~	~~12,110~~	~~13,077~~
~~Increase (decrease) in reserves~~	~~0~~	~~(0)~~	~~0~~	~~0~~	~~0~~	~~(0)~~	~~0~~	~~(0)~~	~~0~~	~~(0)~~
~~Increase (decrease) in investments~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
~~Total applications of capital funding (D)~~	**~~15,967~~**	**~~24,977~~**	**~~19,942~~**	**~~23,272~~**	**~~47,440~~**	**~~32,440~~**	**~~20,392~~**	**~~29,766~~**	**~~24,964~~**	**~~24,452~~**
~~Surplus (deficit) of capital funding (C-D)~~	**~~(9,994)~~**	**~~(13,511)~~**	**~~(14,317)~~**	**~~(13,504)~~**	**~~(12,847)~~**	**~~(13,445)~~**	**~~(14,672)~~**	**~~(15,360)~~**	**~~(15,936)~~**	**~~(16,988)~~**
~~Funding balance ((A-B) + (C-D))~~	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
~~Expenses for this activity grouping include the following depreciation/amortisation charge~~	**~~12,851~~**	**~~13,460~~**	**~~14,268~~**	**~~13,458~~**	**~~12,803~~**	**~~13,402~~**	**~~14,632~~**	**~~15,324~~**	**~~15,902~~**	**~~16,956~~**

2.2 Para
Waste

Purpose

Our goal is to achieve intergenerational sustainability by moving to a circular economy. In a circular economy, economic activity is disconnected from the use of finite resources. Products and materials are kept in use for as long as possible, and waste that can't be reused or recycled is safely managed.

Zero waste is an ambitious target for Wellington. It signals a significant shift in how we as city think about waste, the services and infrastructure we provide, and how businesses, residents and the Council can contribute to making a difference for our city's environmental, societal, and economic future. To deliver this strategy's objectives, collective responsibility and action is critical.

We manage and monitor landfill operations and composting waste at the Southern Landfill, undertake domestic recycling and rubbish collection services, limit the environmental impact of closed landfills, and undertake programmes to educate residents on how to manage and minimise waste effectively.

Activities

Activities in this group	Services we deliver
2.2.1 Waste minimisation, disposal and recycling management	■ Domestic recycling and rubbish kerbside collection and facilities for disposing of general household waste (Note: the 2024-34 LTP includes the decision to make changes to this service and this is outlined in the Key service level changes.) ■ Diversion services, green waste disposal and composting facilities at the Southern Landfill ■ Education and advocacy for greater waste minimisation practices in the homes of Wellingtonians ■ Facilities for disposing of hazardous and industrial waste, waste from developments and construction activities, and waste from emergencies and disasters ■ A recycling facility, including a shop for the sale of reusable goods ■ Supporting programmes to reduce the organisation's carbon emissions.
2.2.2 Closed Landfills Aftercare	■ Mange closed landfills, including gas monitoring and management

Rationale for Activities

Managing and minimising waste is a legislative requirement. We aim to support the city to avoid unnecessary waste, make it easy for residents and businesses to sort their waste for reuse, recycling, and composting, recover and process materials to regain value from resources, and safely manage hazardous waste.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
2.2 Waste	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.
	Methane and carbon are products of the landfill.	We capture and destroy the methane which minimises the impact of the landfill on the environment and generates energy in the process. Some carbon is still released to the environment. We aim to reduce carbon emissions throughout the city and reduce the amount of waste generated through our Low Carbon Capital Plan.

Statement of levels of service and performance measures

Activity: 2.2 Waste

Level of service statement: Reduce our impact on the environment by minimising and managing the disposal of waste.

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
Volume of waste diverted from landfill	Sustainability	16,719 Tonnes (22/23 FY)	20,000 Tonnes	Quarterly
Percentage of contamination in kerbside recycle collection	Sustainability	16% (May 2023)	Declining ≤ 10%	Quarterly

Key service level changes

Waste collection changes

We are working to implement our Zero Waste Strategy, which was adopted in April 2023, and the new Wellington Regional Waste Management and Minimisation Plan. A key part of this is making changes to our kerbside collection service.

Rubbish collection will continue to be a bagged user pays collection in year 1 and 2 and there will be no changes to the two recycling collections.

From year 3 we are changing our services to: a new organics collection service in wheelie bins, a wheelie bin collection for rubbish, larger 240L recycling wheelie bins, and no change to the 45L glass crate collection service.

There will be a new targeted rate to fund the rubbish and organics changes. The recycling collection will continue to be funded through the landfill gate fees. We will also investigate implementation trials for the collection of waste at Multi-Unit Developments, and in the central city.

The Council will also support community compost hub providers to educate the community and divert organics from the waste stream, to be funded using (ring fenced) Waste Levy Funding of $50,000 to $150,000 per annum until the 2027-37 LTP.

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2.2.1 Waste minimisation, disposal and recycling	Expense	~~35,419,402~~	~~37,182,350~~	~~41,658,326~~	~~56,147,662~~	~~57,565,925~~	~~60,561,862~~	~~63,707,472~~	~~65,965,682~~	~~67,911,653~~	~~70,042,505~~
	Income	~~(32,592,014)~~	~~(35,002,798)~~	~~(36,536,737)~~	~~(32,855,386)~~	~~(35,202,499)~~	~~(36,801,774)~~	~~(38,824,515)~~	~~(40,848,077)~~	~~(42,926,292)~~	~~(45,049,450)~~
2.2.2 Closed landfills aftercare	Expense	~~510,652~~	~~66,309~~	~~71,116~~	~~75,081~~	~~78,767~~	~~83,345~~	~~88,618~~	~~94,850~~	~~99,373~~	~~103,991~~
Total		~~3,338,040~~	~~2,245,862~~	~~5,192,705~~	~~23,367,356~~	~~22,442,192~~	~~23,843,433~~	~~24,971,574~~	~~25,212,455~~	~~25,084,734~~	~~25,097,047~~

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2.2.1 Waste minimisation, disposal and recycling	~~15,334,088~~	~~24,327,410~~	~~35,839,807~~	~~28,987,460~~	~~11,159,975~~	~~5,059,459~~	~~5,438,921~~	~~6,951,295~~	~~7,181,157~~	~~7,521,200~~
Total	~~15,334,088~~	~~24,327,410~~	~~35,839,807~~	~~28,987,460~~	~~11,159,975~~	~~5,059,459~~	~~5,438,921~~	~~6,951,295~~	~~7,181,157~~	~~7,521,200~~

Funding impact statement ($000s)

2.2 Waste	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~511~~	~~66~~	~~71~~	~~75~~	~~79~~	~~83~~	~~89~~	~~95~~	~~774~~	~~104~~
Targeted rates (other than a targeted rate for water supply)	~~0~~	~~0~~	~~0~~	~~21,341~~	~~19,863~~	~~20,254~~	~~20,893~~	~~21,581~~	~~21,462~~	~~22,739~~
Subsidies and grants for operating purposes	~~0~~	~~564~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Fees and charges	~~32,592~~	~~34,439~~	~~36,537~~	~~32,855~~	~~35,202~~	~~36,802~~	~~38,825~~	~~40,848~~	~~42,926~~	~~45,049~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total operating funding (A)	**~~33,103~~**	**~~35,069~~**	**~~36,608~~**	**~~54,271~~**	**~~55,145~~**	**~~57,139~~**	**~~59,806~~**	**~~62,524~~**	**~~65,163~~**	**~~67,892~~**
Applications of operating funding										
Payments to staff and suppliers	~~29,576~~	~~30,948~~	~~33,276~~	~~45,579~~	~~45,276~~	~~46,039~~	~~48,000~~	~~49,333~~	~~50,634~~	~~51,955~~

2.2 Waste	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Finance costs	~~791~~	~~845~~	~~911~~	~~949~~	~~989~~	~~1,046~~	~~1,122~~	~~1,237~~	~~1,261~~	~~1,292~~
Other operating funding applications	~~538~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Internal charges	~~4,032~~	~~4,219~~	~~4,370~~	~~5,676~~	~~5,823~~	~~6,106~~	~~6,511~~	~~7,049~~	~~7,256~~	~~7,600~~
Total applications of operating funding (B)	**~~34,937~~**	**~~36,013~~**	**~~38,557~~**	**~~52,204~~**	**~~52,089~~**	**~~53,191~~**	**~~55,633~~**	**~~57,618~~**	**~~59,151~~**	**~~60,847~~**
Surplus (deficit) of operating funding (A-B)	**~~(1,834)~~**	**~~(943)~~**	**~~(1,950)~~**	**~~2,067~~**	**~~3,056~~**	**~~3,948~~**	**~~4,174~~**	**~~4,906~~**	**~~6,012~~**	**~~7,045~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~383~~	~~2,281~~	~~11,650~~	~~4,052~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Development and financial contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in debt	~~16,785~~	~~22,990~~	~~26,140~~	~~22,868~~	~~8,104~~	~~1,111~~	~~1,265~~	~~2,046~~	~~1,170~~	~~476~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~17,168~~**	**~~25,271~~**	**~~37,789~~**	**~~26,921~~**	**~~8,104~~**	**~~1,111~~**	**~~1,265~~**	**~~2,046~~**	**~~1,170~~**	**~~476~~**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~383~~	~~15,842~~	~~18,980~~	~~13,684~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
- to improve level of service	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
- to replace existing assets	~~14,951~~	~~8,485~~	~~16,859~~	~~15,303~~	~~11,160~~	~~5,059~~	~~5,439~~	~~6,951~~	~~7,181~~	~~7,521~~
Increase (decrease) in reserves	~~0~~	~~0~~	~~0~~	~~(0)~~	~~0~~	~~0~~	~~0~~	~~(0)~~	~~0~~	~~0~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~15,334~~**	**~~24,327~~**	**~~35,840~~**	**~~28,987~~**	**~~11,160~~**	**~~5,059~~**	**~~5,439~~**	**~~6,951~~**	**~~7,181~~**	**~~7,521~~**
Surplus (deficit) of capital funding (C-D)	**~~1,834~~**	**~~943~~**	**~~1,950~~**	**~~(2,067)~~**	**~~(3,056)~~**	**~~(3,948)~~**	**~~(4,174)~~**	**~~(4,906)~~**	**~~(6,012)~~**	**~~(7,045)~~**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~993~~	~~1,236~~	~~3,172~~	~~4,018~~	~~5,556~~	~~7,454~~	~~8,163~~	~~8,442~~	~~8,860~~	~~9,300~~

2.3 Wai

Water

Purpose

A city needs a steady supply of clean, safe, drinkable water. Freshwater is a precious a resource that's in limited supply. Before it can be supplied to Wellington households, it is gathered in rainwater catchments, stored and treated to ensure it's free of contamination. It is then piped and distributed to every household and business through an extensive network. The city shares its water supply with the region's other main metropolitan areas using water collection, bulk storage, treatment and transportation assets owned by GWRC. This complete water supply service, including the bulk water, is managed, controlled and maintained for the councils by Wellington Water Limited, a Council-controlled organisation.

Our focus for the next ten years is also on managing the significant renewal requirements of the drinking water network, and ensuring it is resilient to earthquakes and the increasing extreme weather. The other key area of focus is our security of water supply to increase our resilience to the changing climate and meet demand from population growth.

Activities

Activities in this group	Services we deliver
2.3.1 Water network	■ Ensuring high-quality water is available at all times for drinking and other household and business uses and ■ Maintaining 65 reservoirs, 34 pumping stations, 156,000 fixtures, including hydrants and 1200 kilometres o ■ Encouraging efficient, responsible use of water by providing information to residents and businesses, and th sprinklers and garden hoses (as required) ■ Investing in key areas to support growth of the city an
2.3.2 Water collection and treatment	■ Monitoring drinking water quality to ensure it compli

Rationale for Activities

- To increase security of potable and stored water.
- A reliable, resilient, and adequate supply of clean and safe water is critical for the health, wellbeing and prosperity of all residents.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
2.3 Water Supply	Our population is growing over the long term and demand on water is increasing.	Investment during the 10 years of this plan will provide an additional water storage asset serving central Wellington and the CBD. An increased investment in network leakage and repair will have some impact on overall demand.

Key service level changes

We are making a significant increase in investment of our water supply network to address water leaks in the short-term, and water supply over the medium to long-term. This will include investment in water meters to make identifying leaks easier, and help reduce demand for water, overall managing the loss of water in the network.

- In Year 1 we are debt funding an additional $3.3m for reactive water maintenance to clear the backlog of leak repairs in Wellington before the 2024/25 summer.
- Over the next 10 years we will increase operational funding for this area.
- We will invest in Wrights Hill reservoir seismic improvements.
- Water meters: We will invest $2.4m ring-fenced operational funding in Year 1 for a regional business case on the design and implementation of water meters. There is $143.6m capital funding from Year 4 to deliver the meters. How, or if, these are implemented will be based on the business case and formal consultation with the community ahead of any decisions.
- From Year 9 we will invest in new reservoirs at Bell Rd and Moe-i-te-Ra.

Statement of levels of service and performance measures

Activity: 2.3 Water

Level of service statement: Increase the security of potable and stored water

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
The extent to which the local authority's drinking water supply complies with Table 1 of the Water Services (Drinking Water Standards for New Zealand) Regulations 2022: (a) Determinand – Escherichia coli* This measure has not been confirmed by DIA	Safety	Non-Compliant (YE22/23)[1]	Complaint	Quarterly
The extent to which the local authority's drinking water supply complies with Table 1 of the Water Services (Drinking Water Standards for New Zealand) Regulations 2022: (a) Determinand – Total pathogenic protozoa* This measure has not been confirmed by DIA	Safety	Non-Compliant (YE22/23)[1]	Complaint	Quarterly
Number of complaints about the drinking water's clarity, taste, odour, pressure or flow, continuity of supply, and supplier responsiveness, expressed per 1000 connections*	Safety	18.7 (YE22/23)	<20 per 1000	Quarterly
Median response time for attendance for water network urgent call outs (minutes)* (a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site[2]	Responsiveness	132 minutes (YE22/23)	≤60 minutes	Quarterly
Median response time for resolution for water network urgent call outs (hours)* (a) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption[2]	Responsiveness	13.4 hours (YE22/23)	≤4 hours	Quarterly
Median response time for attendance for water network non-urgent call outs (hours)* (a) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site[2]	Responsiveness	654 hours (YE22/23)	≤36 hours	Quarterly

*This KPI is mandatory as directed by the Department of Internal Affairs. These had not been confirmed at the time of adoption of the LTP in June 2024.

1. There was a technical non-compliance with the water quality rules on 12 January 2023 at the Wainuiomata Water Treatment Plant that supplies water to both Wainuiomata in Lower Hutt and parts of Wellington City. The water quality rules requires that water passing through the treatment plant does not exceed a certain level of turbidity (cloudy water that is used as an indicator for the presence of bugs that could cause public health risk) for more than 72 minutes per day. On this occasion the allowable level of turbidity was exceeded for a total of 18 minutes that day. Investigations and monitoring showed that at no point was this water unsafe to drink.

2. The recent independent review by ForceField into the service delivery efficiency of Wellington Water had several recommendations to improve service delivery. Shareholding councils have agreed to pursue operational improvements through the inclusion of performance and productivity based KPIs into the 2024 Letter of Expectations.

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
Median response time for resolution for water network non-urgent call outs (days)* (a) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption[2]	Responsiveness	40 days (YE22/23)	≤5 days	Quarterly
Water supply interruptions (measured as customer hours)	Reliability	0.4 hours ((YE22/23)	2 hours	Quarterly
Average drinking water consumption per resident/day* The average consumption of drinking water per day per resident within the territorial authority district[2]	Accessibility	407 litres (YE22/23)	<365 litres	Quarterly
Percentage (%) of real water loss from networked reticulation system and description of methodology used* Calculated as a regional mean value[2]	Reliability	31% (YE22/23)	17%	Quarterly

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2.3.1 Water Network	Expense	~~477~~	~~491~~	~~500~~	~~512~~	~~528~~	~~536~~	~~549~~	~~563~~	~~572~~	~~583~~
	Income	~~(2,751,104)~~	~~(52,126)~~	~~(53,273)~~	~~(54,445)~~	~~(55,588)~~	~~(56,700)~~	~~(57,777)~~	~~(58,875)~~	~~(59,994)~~	~~(61,074)~~
Total		~~**(2,750,627)**~~	~~**(51,635)**~~	~~**(52,773)**~~	~~**(53,933)**~~	~~**(55,060)**~~	~~**(56,164)**~~	~~**(57,229)**~~	~~**(58,312)**~~	~~**(59,422)**~~	~~**(60,491)**~~

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2.3.1 Water Network	~~7,702,517~~	~~13,932,988~~	~~21,672,009~~	~~23,359,394~~	~~30,885,214~~	~~53,570,624~~	~~56,368,202~~	~~67,198,394~~	~~36,204,581~~	~~36,211,311~~
Total	~~7,702,517~~	~~13,932,988~~	~~21,672,009~~	~~23,359,394~~	~~30,885,214~~	~~53,570,624~~	~~56,368,202~~	~~67,198,394~~	~~36,204,581~~	~~36,211,311~~

Funding impact statement ($000s)

2.3 Water Supply	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Targeted rates (other than a targeted rate for water supply)	~~83,152~~	~~94,062~~	~~111,194~~	~~120,987~~	~~132,453~~	~~143,071~~	~~155,468~~	~~168,707~~	~~182,212~~	~~199,819~~
Subsidies and grants for operating purposes	~~2,700~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Fees and charges	~~51~~	~~52~~	~~53~~	~~54~~	~~56~~	~~57~~	~~58~~	~~59~~	~~60~~	~~61~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total operating funding (A)	~~**85,903**~~	~~**94,114**~~	~~**111,247**~~	~~**121,041**~~	~~**132,509**~~	~~**143,127**~~	~~**155,526**~~	~~**168,766**~~	~~**182,272**~~	~~**199,880**~~
Applications of operating funding										

2.3 Water Supply	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Payments to staff and suppliers	~~67,121~~	~~67,306~~	~~73,167~~	~~79,657~~	~~86,656~~	~~94,162~~	~~103,678~~	~~113,068~~	~~123,490~~	~~134,856~~
Finance costs	~~7,471~~	~~6,799~~	~~7,712~~	~~8,448~~	~~9,126~~	~~9,803~~	~~10,503~~	~~11,513~~	~~11,669~~	~~11,863~~
Other operating funding applications	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Internal charges	~~2,357~~	~~2,017~~	~~2,016~~	~~2,156~~	~~2,247~~	~~2,373~~	~~2,611~~	~~2,831~~	~~2,879~~	~~2,971~~
Total applications of operating funding (B)	**~~76,949~~**	**~~76,122~~**	**~~82,894~~**	**~~90,261~~**	**~~98,029~~**	**~~106,337~~**	**~~116,792~~**	**~~127,412~~**	**~~138,037~~**	**~~149,690~~**
Surplus (deficit) of operating funding (A-B)	**~~8,954~~**	**~~17,992~~**	**~~28,353~~**	**~~30,781~~**	**~~34,480~~**	**~~36,790~~**	**~~38,734~~**	**~~41,354~~**	**~~44,234~~**	**~~50,189~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Development and financial contributions	~~1,175~~	~~1,175~~	~~1,175~~	~~1,175~~	~~1,175~~	~~1,175~~	~~1,175~~	~~1,175~~	~~1,175~~	~~1,175~~
Increase (decrease) in debt	~~(2,426)~~	~~(5,233)~~	~~(7,856)~~	~~(8,596)~~	~~(4,770)~~	~~15,606~~	~~16,460~~	~~24,670~~	~~(9,205)~~	~~(15,153)~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~(1,251)~~**	**~~(4,059)~~**	**~~(6,681)~~**	**~~(7,422)~~**	**~~(3,595)~~**	**~~16,780~~**	**~~17,634~~**	**~~25,844~~**	**~~(8,030)~~**	**~~(13,978)~~**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~150~~	~~154~~	~~158~~	~~162~~	~~166~~	~~170~~	~~174~~	~~178~~	~~181~~	~~185~~
- to improve level of service	~~2,625~~	~~1,580~~	~~1,570~~	~~6,804~~	~~16,950~~	~~35,655~~	~~44,173~~	~~43,135~~	~~13,223~~	~~11,450~~
- to replace existing assets	~~4,927~~	~~12,199~~	~~19,944~~	~~16,394~~	~~13,769~~	~~17,746~~	~~12,021~~	~~23,886~~	~~22,801~~	~~24,577~~
Increase (decrease) in reserves	~~(0)~~	~~0~~	~~(0)~~	~~0~~	~~(0)~~	~~(0)~~	~~0~~	~~(0)~~	~~(0)~~	~~(0)~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~7,703~~**	**~~13,933~~**	**~~21,672~~**	**~~23,359~~**	**~~30,885~~**	**~~53,571~~**	**~~56,368~~**	**~~67,198~~**	**~~36,205~~**	**~~36,211~~**
Surplus (deficit) of capital funding (C-D)	**~~(8,954)~~**	**~~(17,992)~~**	**~~(28,353)~~**	**~~(30,781)~~**	**~~(34,480)~~**	**~~(36,790)~~**	**~~(38,734)~~**	**~~(41,354)~~**	**~~(44,234)~~**	**~~(50,189)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~26,447~~	~~28,078~~	~~29,255~~	~~31,313~~	~~33,520~~	~~35,830~~	~~38,434~~	~~41,054~~	~~43,934~~	~~50,189~~

2.4 Para wai

Wastewater

Purpose

The wastewater network, which carries about 30 million cubic metres of wastewater a year, protects human health and the environment by removing wastewater from homes and businesses and treating it to make it safe for disposal. The cleaned and treated wastewater is discharged into the ocean and the biosolids removed in the treatment process are currently disposed of in the Southern Landfill. Wellington is making significant investment into the new sludge minimisation plant. Once it's completed in 2026, the biosolids will be treated and minimised, enabling it to be reused rather than being disposed in the Southern Landfill.

Our key aims are health, safety and sustainability – wastewater should be disposed of in ways that protect public health and don't compromise ecosystems. Many parts of Wellington's wastewater network are aging and in poor condition and suspectable to failures, blockages and overflows. A key focus needs to be on improving the network to minimise failures. The city's anticipated population growth will also put pressure on this infrastructure.

Activities

Activities in this group	Services we deliver
2.4.1 Sewage collection and disposal network	■ Collecting, treating and disposing of wastewater in ways that protect our waterways from harmful effects
2.4.2 Sewage treatment	■ Monitoring and maintaining 1000 kilometres of pipes, 64 pump stations and three treatment plants

Rationale for Activities

For public and environmental health. The wastewater network is crucial to our city's health. By providing safe and sanitary removal of wastewater and ensuring that the waste is disposed of in ways that minimise harm on the environment and protect public and environmental health.

Significant negative effects

Council activities are conducted to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
2.4 Wastewater	There is the risk of overflows into waterways during high rainfall events and from infrastructure failures.	The wastewater network is designed to minimise the impact of these overflows. The service is subject to resource consent conditions and is monitored. This LTP includes budget for a significant uplift in wastewater infrastructure renewals.

Key service level changes

We are significantly increasing the investment in our wastewater network to address cost escalations at the three treatment plants, for monitoring and operations, as well as planned and reactive maintenance and renewals. Major projects include:

- Karori effluent pipeline remediation
- Wastewater renewals of critical assets at the Moa Point and Western Wastewater treatment plants
- Eastern Trunk Wastewater Main, Stage 1 cargo area pipe
- Airport wastewater interceptor contingency pipe

Statement of levels of service and performance measures

Activity – 2.4 Wastewater

Level of service statement: Provide safe and sanitary removal of wastewater

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
Dry weather wastewater overflows, expressed per 1000 connections* [1] The number of dry weather sewerage overflows from the territorial authority's sewerage system expressed per 1000 sewerage connections to that sewerage system	Reliability	5.3 (YE22/23)	0	Quarterly
Compliance with the resource consents for discharge from the sewerage system, measured by the number of: a. abatement notices; b. infringement notices; c. enforcement notices; and d. convictions received by the territorial authority in relation to those resource consents* [1]	Safety	2 (YE22/23)	0	Quarterly
Number of complaints about the wastewater odour, system faults, blockages, and supplier responsiveness, expressed per 1000 connections to the territorial authority's sewerage system *	Client Satisfaction	22.8 (YE22/23)	<30 per 1000	Quarterly
Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)	Safety	0.27 (YE22/23)	<0.8	Quarterly
Median response time for wastewater overflows (attendance time minutes)*[1] Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: (a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site	Responsiveness	85 minutes (YE22/23)	≤60 minutes	Quarterly
Median response time for wastewater overflows (resolution time hours)* [1] (b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault	Responsiveness	7.9 hours (YE22/23)	≤6 hours	Quarterly

*This KPI is mandatory as directed by the Department of Internal Affairs

1. The recent independent review by ForceField into the service delivery efficiency of Wellington Water had several recommendations to improve service delivery. Shareholding councils have agreed to pursue operational improvements through the inclusion of performance and productivity based KPIs into the 2024 Letter of Expectations.

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2.4.1 Sewage collection and disposal network	Expense	~~59,238,315~~	~~61,711,079~~	~~66,462,697~~	~~71,196,493~~	~~76,730,640~~	~~82,300,896~~	~~87,900,962~~	~~94,070,257~~	~~99,674,095~~	~~105,583,612~~
	Income	~~(948,265)~~	~~(967,230)~~	~~(988,509)~~	~~(1,010,256)~~	~~(1,031,472)~~	~~(1,052,101)~~	~~(1,072,091)~~	~~(1,092,461)~~	~~(1,113,217)~~	~~(1,133,255)~~
2.4.2 Sewage treatment	Expense	~~42,853,814~~	~~44,927,041~~	~~54,008,274~~	~~59,672,356~~	~~62,288,039~~	~~63,470,112~~	~~64,085,739~~	~~66,087,277~~	~~67,260,700~~	~~68,895,656~~
Total		**~~101,143,864~~**	**~~105,670,889~~**	**~~119,482,462~~**	**~~129,858,593~~**	**~~137,987,207~~**	**~~144,718,907~~**	**~~150,914,611~~**	**~~159,065,073~~**	**~~165,821,578~~**	**~~173,346,013~~**

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2.4.1 Sewage collection and disposal network	~~50,378,454~~	~~43,949,865~~	~~37,256,545~~	~~80,142,520~~	~~62,510,137~~	~~60,640,267~~	~~54,071,012~~	~~54,303,723~~	~~55,784,530~~	~~111,764,934~~
2.4.2 Sewage treatment	~~116,429,404~~	~~140,936,583~~	~~16,625,494~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total	**~~166,807,858~~**	**~~184,886,448~~**	**~~53,882,040~~**	**~~80,142,520~~**	**~~62,510,137~~**	**~~60,640,267~~**	**~~54,071,012~~**	**~~54,303,723~~**	**~~55,784,530~~**	**~~111,764,934~~**

Funding impact statement ($000s)

2.4 Wastewater	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Targeted rates (other than a targeted rate for water supply)	~~79,569~~	~~89,596~~	~~116,757~~	~~124,512~~	~~131,061~~	~~137,618~~	~~143,628~~	~~150,569~~	~~157,117~~	~~164,421~~
Subsidies and grants for operating purposes	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Fees and charges	~~948~~	~~967~~	~~989~~	~~1,010~~	~~1,031~~	~~1,052~~	~~1,072~~	~~1,092~~	~~1,113~~	~~1,133~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total operating funding (A)	~~**80,517**~~	~~**90,564**~~	~~**117,746**~~	~~**125,522**~~	~~**132,092**~~	~~**138,670**~~	~~**144,700**~~	~~**151,661**~~	~~**158,230**~~	~~**165,554**~~
Applications of operating funding										
Payments to staff and suppliers	~~44,787~~	~~47,642~~	~~56,700~~	~~59,046~~	~~61,591~~	~~64,009~~	~~65,559~~	~~67,928~~	~~70,531~~	~~73,370~~
Finance costs	~~13,340~~	~~12,228~~	~~13,692~~	~~14,900~~	~~16,011~~	~~17,122~~	~~18,271~~	~~19,928~~	~~20,183~~	~~20,502~~
Other operating funding applications	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Internal charges	~~2,560~~	~~3,046~~	~~3,650~~	~~4,469~~	~~4,729~~	~~5,067~~	~~5,343~~	~~5,841~~	~~6,004~~	~~6,322~~
Total applications of operating funding (B)	~~**60,688**~~	~~**62,916**~~	~~**74,042**~~	~~**78,415**~~	~~**82,331**~~	~~**86,199**~~	~~**89,173**~~	~~**93,698**~~	~~**96,718**~~	~~**100,195**~~
Surplus (deficit) of operating funding (A-B)	~~**19,829**~~	~~**27,647**~~	~~**43,704**~~	~~**47,107**~~	~~**49,761**~~	~~**52,471**~~	~~**55,527**~~	~~**57,964**~~	~~**61,512**~~	~~**65,359**~~
Sources of capital funding										
Subsidies and grants for capital expenditure	~~116,893~~	~~140,862~~	~~16,725~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Development and financial contributions	~~961~~	~~961~~	~~961~~	~~961~~	~~961~~	~~961~~	~~961~~	~~961~~	~~961~~	~~961~~

2.4 Wastewater	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Increase (decrease) in debt	~~29,125~~	~~15,416~~	~~(7,508)~~	~~32,074~~	~~11,788~~	~~7,208~~	~~(2,417)~~	~~(4,621)~~	~~(6,689)~~	~~45,444~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~146,978~~**	**~~157,239~~**	**~~10,178~~**	**~~33,036~~**	**~~12,749~~**	**~~8,169~~**	**~~(1,456)~~**	**~~(3,660)~~**	**~~(5,727)~~**	**~~46,406~~**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~6,150~~	~~205~~	~~158~~	~~162~~	~~166~~	~~170~~	~~174~~	~~178~~	~~181~~	~~185~~
- to improve level of service	~~130,088~~	~~160,728~~	~~26,601~~	~~6,224~~	~~2,079~~	~~14,857~~	~~14,643~~	~~14,494~~	~~27,354~~	~~85,629~~
- to replace existing assets	~~30,570~~	~~23,953~~	~~27,123~~	~~73,757~~	~~60,265~~	~~45,613~~	~~39,254~~	~~39,632~~	~~28,249~~	~~25,951~~
Increase (decrease) in reserves	~~0~~	~~0~~	~~(0)~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~166,808~~**	**~~184,886~~**	**~~53,882~~**	**~~80,143~~**	**~~62,510~~**	**~~60,640~~**	**~~54,071~~**	**~~54,304~~**	**~~55,785~~**	**~~111,765~~**
Surplus (deficit) of capital funding (C-D)	**~~(19,829)~~**	**~~(27,647)~~**	**~~(43,704)~~**	**~~(47,107)~~**	**~~(49,761)~~**	**~~(52,471)~~**	**~~(55,527)~~**	**~~(57,964)~~**	**~~(61,512)~~**	**~~(65,359)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~41,405~~	~~43,722~~	~~46,429~~	~~52,454~~	~~56,687~~	~~59,572~~	~~62,814~~	~~66,460~~	~~70,216~~	~~74,285~~

2.5 Wai ua

Stormwater

Purpose

Each year, Wellington's stormwater network carries about 80 million cubic metres of run-off through gutters and drains to the harbour, coastal waters and piped city streams. The Council's drainage network, managed by Wellington Water, helps protect the city and personal property from flooding and protects public health from the potentially adverse effects of stormwater run-off.

Contaminants that are hazardous to the ecosystems in our waterways can enter the stormwater system from our streets, homes and businesses. We generally do not treat stormwater run-off, but we do monitor the discharge at over 80 sites to ensure it meets the required standards. A key focus will be on water quality including minimising contamination from wastewater.

As part of development planning and major renewal and upgrade work in the city, we also encourage and will adopt as a Council the implementation of water sensitive urban design solutions to minimise the impact of stormwater runoff and to improve the amenity of the city.

Activities

Activities in this group	Services we deliver
2.5.1 Stormwater Management	■ Managing stormwater flows, while minimising the risk of flooding and the impact of run-off on the environment ■ Monitoring and maintaining the stormwater network, which includes 670 kilometres of pipes, one pump station and 870 culverts that allow stormwater to flow under roads and other infrastructure ■ Monitoring stormwater outfalls to ensure that any threats to public health and the environment are minimised

Rationale for Activities

To protect people, property and the environment from flooding and storm runoff. A safe and reliable stormwater network prevents avoidable disruptions to community living and minimises the risk of injury, property damage and environmental damage.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
2.5 Stormwater	The network can carry containments, such as oil from roads or run-off from developments, into waterways.	The principal objective of the stormwater network has historically been to minimise the impact of flooding. It has not been designed to provide treatment. We want to reduce the contaminants that make it into waterways. We educate residents to change behaviours, such as pouring paint down drains, and will be adopting regulatory and non-regulatory measures to increase the uptake of water sensitive design in new developments. The investment in stormwater network renewals is increasing, with a focus on critical assets and the CBD area.

Key service level changes

We are making a small increase in investment of our stormwater network to prioritise investment in stormwater filtration and flood protection in conjunction with or ahead of transport infrastructure investment, public realm, or housing developments. We will continue delivering current levels of planned and reactive maintenance.

Statement of levels of service and performance measures

Activity – 2.5 Stormwater

Level of Service Statement: Protect people, property and the environment from flooding and storm runoff

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
Number of flooding events*	Sustainability	0 (22/23FinYr)	≤2	Quarterly
Number of stormwater pipeline blockages per km of pipeline	Reliability	0 (22/23FinYr)	≤0.5	Quarterly
Number of habitable floors per 1000 connected homes per flooding event* For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.) * [1]	Sustainability	0 (22/23FinYr)	≤0.13	Quarterly
Median response time to attend a flooding event (minutes)* The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	Reliability	0 (22/23FinYr)	≤60minutes	Quarterly
Days (%) during the bathing season (1 November to 31 March) that the monitored beaches are suitable for recreational use	Safety	98% (22/23FinYr)	90%	6monthly
Monitored sites (%) that have a rolling 12 month median value for E.coli (dry weather samples) that do not exceed 1000 cfu/100ml[2]	Safety	78% (22/23FinYr)	90%	Quarterly
Compliance with the resource consents for discharge from the stormwater system -total number of a. abatement notices; b. infringement notices; c. enforcement orders; d. convictions*	Safety	0 (22/23FinYr)	0	Quarterly
Number of complaints about stormwater system performance per 1000 connections*	Client Satisfaction	12.8 (22/23FinYr)	≤20 per 1000	Quarterly
Residents (%) satisfied with the stormwater system[2] The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system	Client Satisfaction	34% (22/23FinYr)	75%	Annual

*This KPI is mandatory as directed by the Department of Internal Affairs

1. The regional consistency for habitable floors affected in a flooding event is 10 per event, however as the DIA measure is per 1000 properties connected, we have calculated this based on connections in 2020/21.

2. The recent independent review by ForceField into the service delivery efficiency of Wellington Water had several recommendations to improve service delivery. Shareholding councils have agreed to pursue operational improvements through the inclusion of performance and productivity based KPIs into the 2024 Letter of Expectations.

What it will cost

Operating Expenditure

Activity Component Name	Income / Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2.5.1 Stormwater management	Expense	~~46,094,907~~	~~47,699,074~~	~~51,447,075~~	~~55,131,255~~	~~58,851,268~~	~~62,642,185~~	~~66,719,608~~	~~71,287,536~~	~~76,037,592~~	~~80,420,945~~
	Income	~~(1,235,712)~~	~~(1,327,310)~~	~~(1,363,148)~~	~~(1,398,589)~~	~~(1,433,554)~~	~~(1,466,526)~~	~~(1,500,256)~~	~~(1,533,262)~~	~~(1,565,460)~~	~~(1,598,335)~~
Total		**~~44,859,195~~**	**~~46,371,764~~**	**~~50,083,927~~**	**~~53,732,665~~**	**~~57,417,714~~**	**~~61,175,659~~**	**~~65,219,352~~**	**~~69,754,275~~**	**~~74,472,132~~**	**~~78,822,610~~**

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2.5.1 Stormwater management	~~3,721,115~~	~~3,789,440~~	~~13,323,494~~	~~7,813,959~~	~~11,546,955~~	~~26,641,005~~	~~57,854,535~~	~~53,406,632~~	~~17,463,525~~	~~13,085,681~~
Total	**~~3,721,115~~**	**~~3,789,440~~**	**~~13,323,494~~**	**~~7,813,959~~**	**~~11,546,955~~**	**~~26,641,005~~**	**~~57,854,535~~**	**~~53,406,632~~**	**~~17,463,525~~**	**~~13,085,681~~**

Funding impact statement ($000s)

2.5 Stormwater	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Targeted rates (other than a targeted rate for water supply)	~~32,963~~	~~37,308~~	~~47,429~~	~~51,617~~	~~57,418~~	~~61,176~~	~~65,219~~	~~69,754~~	~~74,472~~	~~78,823~~
Subsidies and grants for operating purposes	~~1,234~~	~~1,325~~	~~1,361~~	~~1,397~~	~~1,431~~	~~1,464~~	~~1,498~~	~~1,531~~	~~1,563~~	~~1,596~~
Fees and charges	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total operating funding (A)	**~~34,199~~**	**~~38,636~~**	**~~48,793~~**	**~~53,016~~**	**~~58,851~~**	**~~62,642~~**	**~~66,720~~**	**~~71,288~~**	**~~76,038~~**	**~~80,421~~**
Applications of operating funding										
Payments to staff and suppliers	~~14,609~~	~~15,688~~	~~16,932~~	~~18,072~~	~~19,293~~	~~20,516~~	~~21,867~~	~~23,096~~	~~24,605~~	~~26,071~~
Finance costs	~~9,101~~	~~8,283~~	~~9,395~~	~~10,291~~	~~11,117~~	~~11,942~~	~~12,794~~	~~14,025~~	~~14,215~~	~~14,451~~
Other operating funding applications	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Internal charges	~~727~~	~~760~~	~~761~~	~~811~~	~~852~~	~~913~~	~~977~~	~~1,062~~	~~1,094~~	~~1,144~~
Total applications of operating funding (B)	**~~24,437~~**	**~~24,731~~**	**~~27,088~~**	**~~29,174~~**	**~~31,262~~**	**~~33,370~~**	**~~35,638~~**	**~~38,183~~**	**~~39,914~~**	**~~41,667~~**
Surplus (deficit) of operating funding (A-B)	**~~9,762~~**	**~~13,904~~**	**~~21,705~~**	**~~23,842~~**	**~~27,589~~**	**~~29,272~~**	**~~31,081~~**	**~~33,105~~**	**~~36,124~~**	**~~38,754~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Development and financial contributions	~~102~~	~~102~~	~~102~~	~~102~~	~~102~~	~~102~~	~~102~~	~~102~~	~~102~~	~~102~~
Increase (decrease) in debt	~~(6,142)~~	~~(10,217)~~	~~(8,483)~~	~~(16,129)~~	~~(16,144)~~	~~(2,733)~~	~~26,671~~	~~20,200~~	~~(18,762)~~	~~(25,770)~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~(6,040)~~**	**~~(10,115)~~**	**~~(8,381)~~**	**~~(16,028)~~**	**~~(16,042)~~**	**~~(2,631)~~**	**~~26,773~~**	**~~20,302~~**	**~~(18,661)~~**	**~~(25,669)~~**

2.5 Stormwater	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~150~~	~~154~~	~~158~~	~~162~~	~~166~~	~~170~~	~~174~~	~~178~~	~~181~~	~~185~~
- to improve level of service	~~2,045~~	~~2,045~~	~~2,079~~	~~2,851~~	~~7,819~~	~~22,862~~	~~54,950~~	~~45,423~~	~~4,993~~	~~8,887~~
- to replace existing assets	~~1,526~~	~~1,591~~	~~11,087~~	~~4,801~~	~~3,562~~	~~3,609~~	~~2,731~~	~~7,806~~	~~12,289~~	~~4,014~~
Increase (decrease) in reserves	~~(0)~~	~~0~~	~~0~~	~~(0)~~	~~(0)~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~3,721~~**	**~~3,789~~**	**~~13,323~~**	**~~7,814~~**	**~~11,547~~**	**~~26,641~~**	**~~57,855~~**	**~~53,407~~**	**~~17,464~~**	**~~13,086~~**
Surplus (deficit) of capital funding (C-D)	**~~(9,762)~~**	**~~(13,904)~~**	**~~(21,705)~~**	**~~(23,842)~~**	**~~(27,589)~~**	**~~(29,272)~~**	**~~(31,081)~~**	**~~(33,105)~~**	**~~(36,124)~~**	**~~(38,754)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~21,658~~	~~22,968~~	~~24,359~~	~~25,957~~	~~27,589~~	~~29,272~~	~~31,081~~	~~33,105~~	~~36,124~~	~~38,754~~

2.6 Ngā pakihi whāomoomo

Conservation organisations

Purpose

The Wellington Zoo Trust and Zealandia (Karori Sanctuary Trust) are both Council-controlled organisations (CCOs) and are part-funded by the Council.

These attractions tell a story of our past and of our special wildlife. They attract visitors to our city and inform and educate about conservation and biodiversity.

Activities

Activities in this group	Services we deliver
2.6.1 Conservation visitor attractions	■ Investment that supports the Wellington Zoo to attract visitors and to inform and educate on the importance of conservation and biodiversity ■ Investment that supports Zealandia to attract visitors, educate, and protect flora and fauna, improving biodiversity for the benefit of our natural environment

Rationale for Activities

- For conservation and biodiversity: these attractions inform and educate Wellingtonians and visitors about conservation and biodiversity.
- To attract visitors: these facilities aim to attract tourists to the city, contributing to the local economy.
- To protect flora and fauna: to strive to protect native and exotic flora and fauna, protecting our natural environment.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington.

Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
2.6 Conservation organisations	We do not anticipate any significant negative effects associated with the provision of these services.	N/A

Key service level changes

The Council continues to invest in the two organisations to help attract visitors and support for maintenance and health and safety upgrades. We are making a small increase in the funding for Wellington Zoo to deliver on the health and safety components of their 20-year master plan. The Savannah project will be rephased into outer years but we will continue with the upgrade the Lions habitat project.

There is an expectation for the two CCOs to increasingly manage operating cost pressures through non-Council revenue, and this will create risks if revenue is not able to be achieved or costs managed.

Statement of levels of service and performance measures

Activity: 2.6 Conservation organisations

Level of service statement: Promoting biodiversity, conservation, sustainability and excellent animal welfare with high-quality education and visitor experiences.

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
Wellington Zoo - achievement of Statement of Intent (SOI) Note: 2024/25 SOI comprises of six KPIs with the following targets: 1. Number of visitors: 267,205 2. Student & education visits: 21,000 3. Percentage of satisfied visitors: 80% 4. Council operating grant per visitor: $16.32 5. Trading revenue per visit (excl. grants & interest): $19.14 6. Non-council donations and funding: $384,000	Other	Achieved (8/8 KPIs YE22/23)	Achieved	Quarterly and Annual
Zealandia - achievement of Statement of Intent Note: 2024/25 SOI comprises of five KPIs with the following targets: 1. Number of visitors: 130,000 2. Percentage of satisfied visitors: >80% 3. Council operating grant per visitor: $12.90 4. Trading revenue per visit (excl. grants & interest): $37.52 5. Non-council donations and funding: >$200,000	Other	Achieved (10/10 KPIs YE22/23)	Achieved	Quarterly and Annual

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2.6.1 Conservation visitor attractions	Expense	~~9,926,084~~	~~10,037,067~~	~~10,316,581~~	~~10,638,581~~	~~11,023,403~~	~~11,415,750~~	~~11,852,812~~	~~12,380,112~~	~~13,369,167~~	~~14,064,763~~
Total		**~~9,926,084~~**	**~~10,037,067~~**	**~~10,316,581~~**	**~~10,638,581~~**	**~~11,023,403~~**	**~~11,415,750~~**	**~~11,852,812~~**	**~~12,380,112~~**	**~~13,369,167~~**	**~~14,064,763~~**

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2.6.1 Conservation visitor attractions	~~1,311,000~~	~~1,341,976~~	~~1,406,364~~	~~1,823,297~~	~~2,601,118~~	~~3,912,877~~	~~7,456,873~~	~~10,276,934~~	~~2,554,272~~	~~3,050,562~~
Total	**~~1,311,000~~**	**~~1,341,976~~**	**~~1,406,364~~**	**~~1,823,297~~**	**~~2,601,118~~**	**~~3,912,877~~**	**~~7,456,873~~**	**~~10,276,934~~**	**~~2,554,272~~**	**~~3,050,562~~**

Funding impact statement ($000s)

2.6 Conservation Organisations	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~9,964~~	~~10,075~~	~~10,355~~	~~10,677~~	~~11,061~~	~~11,454~~	~~11,891~~	~~12,418~~	~~13,369~~	~~14,065~~
Targeted rates (other than a targeted rate for water supply)	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Subsidies and grants for operating purposes	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Fees and charges	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total operating funding (A)	**~~9,964~~**	**~~10,075~~**	**~~10,355~~**	**~~10,677~~**	**~~11,061~~**	**~~11,454~~**	**~~11,891~~**	**~~12,418~~**	**~~13,369~~**	**~~14,065~~**

2.6 Conservation Organisations	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Applications of operating funding										
Payments to staff and suppliers	~~409~~	~~431~~	~~459~~	~~483~~	~~508~~	~~532~~	~~558~~	~~583~~	~~611~~	~~640~~
Finance costs	~~922~~	~~954~~	~~1,007~~	~~1,042~~	~~1,089~~	~~1,162~~	~~1,242~~	~~1,383~~	~~1,416~~	~~1,450~~
Other operating funding applications	~~5,932~~	~~6,047~~	~~6,217~~	~~6,366~~	~~6,500~~	~~6,617~~	~~6,716~~	~~6,803~~	~~6,885~~	~~6,954~~
Internal charges	~~134~~	~~138~~	~~138~~	~~144~~	~~149~~	~~152~~	~~157~~	~~164~~	~~168~~	~~173~~
Total applications of operating funding (B)	**~~7,396~~**	**~~7,570~~**	**~~7,820~~**	**~~8,035~~**	**~~8,246~~**	**~~8,462~~**	**~~8,673~~**	**~~8,933~~**	**~~9,079~~**	**~~9,217~~**
Surplus (deficit) of operating funding (A-B)	**~~2,568~~**	**~~2,505~~**	**~~2,535~~**	**~~2,641~~**	**~~2,815~~**	**~~2,992~~**	**~~3,218~~**	**~~3,485~~**	**~~4,290~~**	**~~4,848~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Development and financial contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in debt	~~(1,257)~~	~~(1,163)~~	~~(1,128)~~	~~(818)~~	~~(214)~~	~~921~~	~~4,239~~	~~6,792~~	~~(1,735)~~	~~(1,797)~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~(1,257)~~**	**~~(1,163)~~**	**~~(1,128)~~**	**~~(818)~~**	**~~(214)~~**	**~~921~~**	**~~4,239~~**	**~~6,792~~**	**~~(1,735)~~**	**~~(1,797)~~**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
- to improve level of service	~~0~~	~~0~~	~~0~~	~~0~~	~~300~~	~~700~~	~~4,500~~	~~7,118~~	~~350~~	~~800~~
- to replace existing assets	~~1,311~~	~~1,342~~	~~1,406~~	~~1,823~~	~~2,301~~	~~3,213~~	~~2,957~~	~~3,159~~	~~2,204~~	~~2,251~~
Increase (decrease) in reserves	~~(0)~~	~~0~~	~~0~~	~~(0)~~	~~0~~	~~(0)~~	~~0~~	~~(0)~~	~~0~~	~~0~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~1,311~~**	**~~1,342~~**	**~~1,406~~**	**~~1,823~~**	**~~2,601~~**	**~~3,913~~**	**~~7,457~~**	**~~10,277~~**	**~~2,554~~**	**~~3,051~~**
Surplus (deficit) of capital funding (C-D)	**~~(2,568)~~**	**~~(2,505)~~**	**~~(2,535)~~**	**~~(2,641)~~**	**~~(2,815)~~**	**~~(2,992)~~**	**~~(3,218)~~**	**~~(3,485)~~**	**~~(4,290)~~**	**~~(4,848)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~2,530~~	~~2,467~~	~~2,497~~	~~2,603~~	~~2,777~~	~~2,954~~	~~3,180~~	~~3,447~~	~~4,290~~	~~4,848~~

Changes to this document are reflected in other financial information that is included as part of the amendment of the 2024-25 Long-term Plan.

3. Whanaketanga ōhanga
Economic development

The mahi for Economic development supports a thriving economic, employment and events sector.

Overview

Our Economic wellbeing strategy aims to provide equal opportunities for meaningful, fairly paid, and inclusive work, supporting the transition to a zero-carbon circular economy. We seek to be New Zealand's preferred city for businesses, investors, and developers, and a hub for creativity and innovation, with a dynamic CBD and thriving suburban centres.

Council services in City promotions will focus on inner-city revitalisation, aligning with Economic wellbeing and LTP priorities. Enhanced coordination of Council spending across transportation, public spaces, and open areas is also crucial for improved economic and social outcomes. Given cost constraints, we will prioritise existing spending to maximize impact.

Our venues need significant investment requiring a strategic approach for affordable management. Working with the Wellington Stadium, the Seismic Resilience Project will address the venue's health and safety concerns.

The key groups of activities under this strategic area are to the right, along with their alignment to the Council's strategic direction that is outlined in Volume 1, page 36.

Our Tākai Here and Te Tiriti Commitment

Our commitment underpins all economic and cultural activities. The Tūpiki ora Māori Strategy outlines priorities including that Wellington is a bilingual city by 2040 – Māori, mana whenua and the wider community have access to learning opportunities to use to reo Māori; and the local Māori economy is thriving in the city and is supported by deliberate efforts between the Council and partners to support mana whenua, Māori and businesses. More information on this commitment is in Volume 1 and Volume 3 in our Strategic Direction sections.

Key activity groups

Activity groups	Community outcome	Strategic priority (where applicable)	Key strategies or plans
3.1 City Promotions and business support	Economic Wellbeing – An innovative business friendly city	Revitalise the city and suburbs to support a thriving and resilient economy and support job growth	■ Economic Wellbeing Strategy ■ Infrastructure Strategy 2024 ■ Finance Strategy 2024

How we will embed Strategic Approaches in this activity

We are proud that this 10-year plan embeds five approaches to help guide the Council in all parts of our plan. How these approaches will be applied in this strategic area is outlined below.

Strategic Approaches are about how we will deliver our work. They are important and to be applied to everything we do.

Integrating te ao Māori	We will support Māori-led initiatives that enable greater success for Māori business and employment and consider economic outcomes for Māori in our procurement decisions. We will support events and celebrations that give expression to a te ao Māori presence and ensure that ngā toi Māori and te reo Māori are highly visible in storytelling and streetscape.
Making our city accessible and inclusive for all	We will encourage safe and inclusive workplace environments and actively encourage employers in the city to be socially inclusive and accessible. This includes to hire people with disabilities and adjust workplace environments to meet their needs, paying decent wages and practicing what we preach.
Embedding climate action	We will work with businesses and organisations to better enable the transition to a zero-carbon circular economy. The carbon impact plays a significant role in decisions about what activities are supported and prioritised.
Engaging our community	We will ensure that businesses have early visibility on our major infrastructure projects and a voice at the table to ensure the disruption from infrastructure transformation is managed well. We will identify opportunities to co-create and shape initiatives that foster a sense of belonging and support resilient community, creative, and cultural spaces.
Value for money	We will make our resources work harder to get the best outcomes possible within a constrained funding environment. We will deliver high quality, well managed programmes and projects to maximise value for our residents and the city. This also means being more strategic with the funding we have available.

3.1 Ngā whakatairanga a te tāone me ngā tautoko ā-pakihi

City Promotions and business support

Purpose

To maintain a prosperous city that ensures a high quality of life for residents, we support a dynamic economy by funding WREDA (WellingtonNZ), the Wellington region's economic development agency. WellingtonNZ provides tourism promotions, manages Wellington's public convention venues, and supports local businesses.

The Council also supports events, festivals, visitor attractions, operates Tākina, and maintains relationships with other agencies and cities, domestically and internationally, to foster economic growth.

Activities

Activities in this group	Services we deliver
3.1.1 WellingtonNZ and Venues Wellington	■ Promoting Wellington to domestic and international visitors to encourage the growth of the tourism sector ■ Supporting high-quality events, such as World of Wearable Art, which generate cultural and economic benefits for the city ■ Operating civic venues for entertainment, performances and business events
3.1.2 Tākina Wellington Convention and Exhibition Centre	■ We operate and maintain the new convention and exhibition centre.
3.1.3 City Growth Fund	■ Delivering programmes that support businesses to deliver innovation, increase the visibility of te ao Māori and mana whenua create and retain jobs, increase the rating base, support economic growth in target sectors and transition to a circular economy.
3.1.4 Major Economic Projects	■ Attracting and supporting business activity across Wellington
3.1.5 International Relations	■ Improving the city's national and international connections, including with our eight sister cities across the world
3.1.6 Business Improvement Districts (BIDs)	■ We provide support and funding to the BIDs for improvements to their local business districts.

Rationale for Activities

- To attract and retain talented residents. Attracting talent, visitors and jobs is critical to growing the city's economy and ensuring Wellington remains vibrant and retains its competitive advantage.
- To grow tourism spend and economic returns from events. We aim to attract and support major events (cultural, sporting and business) that bring visitors and extra spending to the city.
- To grow inward investment and exports. Ensuring that the city has a presence internationally will be vital to attracting investment, talent, visitors and jobs.
- To sustain city vibrancy. City promotion and events build and retain city vibrancy. It is critical that Wellington remains vibrant and internationally relevant, and that people coming here have the best possible experience.
- To support businesses wanting to take climate action. Wellington has a reputation as a climate leader with a strong community of innovative sustainable businesses.

Significant negative effects

Council activities are conducted to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
3.1 City Promotions and Business Support	The activities in this area facilitate and encourage growth in tourism and business, both of which result in more people in our city. Tourism, and the influx of additional people into the city, can bring many economic and social benefits. However, these are also associated with negative effects. More people in the city places additional pressure on our infrastructure networks (water and wastewater, for example) and more people travelling into and out of our city results in increased carbon emissions.	We are building on our skilled knowledge base, creative industries and services sector to capitalise on an economy that is becoming increasingly 'weightless' – with a focus on generating high-value, low-carbon products and services. Our focus in these industries mitigates some of the negative effects associated with a growing economy. We support a range of initiatives to reduce the emission profile of the city and are working with partners on making the transport system more sustainable. We also dispose of waste in sustainable ways; we capture gas at the landfill and are working to reduce sewage sludge.

Key service level changes

Affordability

Council services in City promotions are expected to continue. While an accelerated delivery of economic wellbeing outcomes could be realised through increased spending, the Council has cost constraints. Our approach prioritises using existing spending over new spending, aiming to maximise the impact within the defined constraints.

We are looking at the significant investment we have in venues and will develop a plan to identify the city's future venue needs and the best approach. Any changes to levels of service will be considered in the 2027-37 LTP. As part of the capital programme changes, budget allocation is not currently assigned.

WellingtonNZ

The Council continues investment support to WellingtonNZ, although we have reduced their budget by $500,000, which will result in less international marketing of the city. The overall investment into WellingtonNZ is $13.5million.

Wellington Stadium

We have committed funding to address health and safety concerns at the Wellington Regional Stadium, which will result in improved levels of service.

Statement of levels of service and performance measures

Activity: 3.1 City Promotions and Business Support

Level of service statement: Grow tourism spend and economic returns to help shape the city and create a thriving Wellington region.

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
WREDA: ($m) Direct economic impact of Wellington NZ's activities and interventions	Sustainability	$246.6mm (YE22/23)	$200m	Quarterly
WREDA: Number of businesses engaged by a WellingtonNZ intervention or programme	Accessibility	2,221 (YE22/23)	2,500	Quarterly
WREDA: ($m) Equivalent Advertising Value (EAV) from media activity	Sustainability	$20.4m (YE22/23)	$20m	Annual
WREDA: ($m) Value of expenditure generated from events (including business, performance and major events)	Sustainability	$79.1m (YE22/23)	$120m	Quarterly
WREDA: The number of Wellington region residents who attend events	Accessibility	615,181 (YE22/23)	625,000	Quarterly
WREDA: % Stakeholder engagement satisfaction	Client satisfaction	92% (YE22/23)	90%	Annual
WREDA: Māori business support: a. Number of Māori businesses and projects supported across WNZ b. Satisfaction of Māori businesses receiving support	Accessibility Client satisfaction	a. 75 (Mar24) b. 90% (Mar24)	a. 75 b. 90%;	6monthly
WREDA: Pasifika business support: a. Number of Pasifika businesses and projects supported across WNZ b. Satisfaction of Pasifika businesses receiving support	Accessibility Client satisfaction	a. 15 (Mar24) b. 90% (Mar24)	a. 15 b. 90%	6monthly
WREDA: Funding diversification (% of revenue from commercial/non council funding & commercial activity)	Sustainability	25% (YE22/23)	30%	Quarterly
Wellington Regional Stadium Trust - achievement of SOI[1]	Other	Achieved (22/23FinYr)	Achieved	Annual

1 Wellington Regional Stadium Trust is not a Council Controlled Organisation and reports to the Council at Statement of Intent level only.

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
3.1.1 WellingtonNZ and Venues Wellington	Expense	~~34,068,598~~	~~35,020,607~~	~~36,871,977~~	~~38,661,705~~	~~39,411,710~~	~~40,375,821~~	~~41,312,783~~	~~42,325,407~~	~~42,901,335~~	~~43,628,058~~
	Income	~~(13,664,864)~~	~~(13,938,317)~~	~~(14,244,960)~~	~~(14,558,187)~~	~~(14,863,743)~~	~~(15,160,849)~~	~~(15,448,905)~~	~~(15,742,434)~~	~~(16,041,361)~~	~~(16,330,105)~~
3.1.2 Tākina Wellington Convention & Exhibition Centre	Expense	~~20,135,177~~	~~20,870,055~~	~~21,745,300~~	~~22,577,584~~	~~23,441,247~~	~~24,268,257~~	~~25,192,400~~	~~26,099,917~~	~~27,095,599~~	~~28,066,722~~
	Income	~~(7,938,676)~~	~~(9,372,027)~~	~~(10,537,701)~~	~~(11,811,607)~~	~~(12,582,078)~~	~~(13,226,889)~~	~~(13,768,665)~~	~~(14,257,269)~~	~~(14,763,447)~~	~~(15,029,189)~~
3.1.3 City growth fund	Expense	~~3,010,270~~	~~3,045,111~~	~~3,050,557~~	~~3,093,670~~	~~3,126,295~~	~~3,158,150~~	~~3,201,934~~	~~3,255,180~~	~~3,287,072~~	~~3,329,244~~
3.1.4 Major Economic Projects	Expense	~~0~~	~~2,940,500~~	~~2,944,000~~	~~3,071,500~~	~~347,500~~	~~1,500,000~~	~~1,500,000~~	~~1,500,000~~	~~1,500,000~~	~~1,500,000~~
3.1.5 International relations	Expense	~~929,027~~	~~958,279~~	~~974,401~~	~~991,555~~	~~1,019,659~~	~~1,064,702~~	~~1,079,234~~	~~1,122,261~~	~~1,173,579~~	~~1,186,151~~
3.1.6 Business Improvement Districts	Expense	~~556,988~~	~~556,988~~	~~556,988~~	~~556,988~~	~~556,988~~	~~556,988~~	~~556,988~~	~~556,988~~	~~556,988~~	~~556,988~~
Total		**~~37,096,519~~**	**~~40,081,194~~**	**~~41,360,561~~**	**~~42,583,208~~**	**~~40,457,578~~**	**~~42,536,180~~**	**~~43,625,769~~**	**~~44,860,050~~**	**~~45,709,765~~**	**~~46,907,869~~**

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
3.1.1 WellingtonNZ and Venues Wellington	-	-	-	~~3,196,124~~	~~3,260,047~~	~~3,321,987~~	~~3,385,105~~	-	-	-
3.1.2 Tākina Wellington Convention & Exhibition Centre	~~4,703,637~~	~~2,851,096~~	~~2,142,555~~	~~5,713,451~~	~~6,036,569~~	~~4,553,820~~	~~1,127,521~~	~~2,928,114~~	~~7,099,432~~	~~4,039,167~~
Total	**~~4,703,637~~**	**~~2,851,096~~**	**~~2,142,555~~**	**~~8,909,575~~**	**~~9,296,616~~**	**~~7,875,807~~**	**~~4,512,626~~**	**~~2,928,114~~**	**~~7,099,432~~**	**~~4,039,167~~**

Funding impact statement ($000s)

3.1 City Promotions and Business Support	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~13,858~~	~~13,536~~	~~13,601~~	~~14,375~~	~~14,420~~	~~14,640~~	~~15,150~~	~~15,765~~	~~16,447~~	~~16,494~~
Targeted rates (other than a targeted rate for water supply)	~~18,360~~	~~18,500~~	~~18,646~~	~~18,136~~	~~18,917~~	~~19,143~~	~~19,436~~	~~19,725~~	~~20,008~~	~~19,710~~
Subsidies and grants for operating purposes	~~500~~	~~511~~	~~522~~	~~533~~	~~543~~	~~554~~	~~564~~	~~575~~	~~585~~	~~596~~
Fees and charges	~~21,104~~	~~22,800~~	~~24,261~~	~~25,837~~	~~26,902~~	~~27,834~~	~~28,653~~	~~29,425~~	~~30,220~~	~~30,764~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total operating funding (A)	**~~53,822~~**	**~~55,346~~**	**~~57,030~~**	**~~58,881~~**	**~~60,782~~**	**~~62,170~~**	**~~63,804~~**	**~~65,489~~**	**~~67,260~~**	**~~67,563~~**
Applications of operating funding										
Payments to staff and suppliers	~~29,561~~	~~30,633~~	~~31,789~~	~~32,810~~	~~33,862~~	~~34,869~~	~~35,924~~	~~36,959~~	~~38,119~~	~~38,997~~
Finance costs	~~3,724~~	~~3,671~~	~~3,620~~	~~3,572~~	~~3,527~~	~~3,484~~	~~3,438~~	~~3,399~~	~~3,353~~	~~3,307~~
Other operating funding applications	~~16,127~~	~~19,466~~	~~19,791~~	~~20,201~~	~~17,731~~	~~19,105~~	~~19,293~~	~~19,459~~	~~19,614~~	~~19,744~~
Internal charges	~~2,327~~	~~2,409~~	~~2,414~~	~~2,535~~	~~2,625~~	~~2,714~~	~~2,839~~	~~2,996~~	~~3,076~~	~~3,190~~
Total applications of operating funding (B)	**~~51,739~~**	**~~56,179~~**	**~~57,613~~**	**~~59,119~~**	**~~57,745~~**	**~~60,172~~**	**~~61,494~~**	**~~62,812~~**	**~~64,162~~**	**~~65,239~~**
Surplus (deficit) of operating funding (A-B)	**~~2,083~~**	**~~(833)~~**	**~~(583)~~**	**~~(238)~~**	**~~3,037~~**	**~~1,998~~**	**~~2,309~~**	**~~2,677~~**	**~~3,098~~**	**~~2,325~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~

3.1 City Promotions and Business Support	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Development and financial contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in debt	~~2,621~~	~~3,684~~	~~2,726~~	~~9,148~~	~~6,260~~	~~5,878~~	~~2,203~~	~~251~~	~~4,001~~	~~1,715~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~2,621~~**	**~~3,684~~**	**~~2,726~~**	**~~9,148~~**	**~~6,260~~**	**~~5,878~~**	**~~2,203~~**	**~~251~~**	**~~4,001~~**	**~~1,715~~**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
- to improve level of service	~~0~~	~~0~~	~~0~~	~~3,196~~	~~3,260~~	~~3,322~~	~~3,385~~	~~0~~	~~0~~	~~0~~
- to replace existing assets	~~4,704~~	~~2,851~~	~~2,143~~	~~5,713~~	~~6,037~~	~~4,554~~	~~1,128~~	~~2,928~~	~~7,099~~	~~4,039~~
Increase (decrease) in reserves	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~4,704~~**	**~~2,851~~**	**~~2,143~~**	**~~8,910~~**	**~~9,297~~**	**~~7,876~~**	**~~4,513~~**	**~~2,928~~**	**~~7,099~~**	**~~4,039~~**
Surplus (deficit) of capital funding (C-D)	**~~(2,083)~~**	**~~833~~**	**~~583~~**	**~~238~~**	**~~(3,037)~~**	**~~(1,998)~~**	**~~(2,309)~~**	**~~(2,677)~~**	**~~(3,098)~~**	**~~(2,325)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~6,961~~	~~7,212~~	~~8,530~~	~~9,834~~	~~10,158~~	~~10,752~~	~~11,349~~	~~12,048~~	~~12,353~~	~~13,029~~

Changes to this document are reflected in other financial information that is included as part of the amendment of the 2024-25 Long-term Plan.

4. Oranga ahurea
Cultural wellbeing

Arts and culture are an important foundation stone in Wellington's offering – it's a point of difference for the city and one that all Wellingtonians are proud of.

Overview

Our overall approach as part of the 2024-34 LTP is to continue making investments that secure foundational arts and culture facilities in the city. This will allow the sector to thrive over the long term. Many of our arts and culture facilities are earthquake prone and require substantial investment in the years ahead. This will be the primary focus over the next three years with most of the capital costs increases for this activity area going into the Town Hall.

We will also do master planning on other arts and culture facilities that are earthquake prone such as the Michael Fowler Centre (MFC), the Opera House and the Bond Store to enable decisions on the way forward to be made as part of the 2027-37 LTP.

To address affordability pressures, we will explore more efficient delivery of arts and culture services, operating more commercially where possible, and identifying savings. Our strategic focus is on making essential investments and targeted adjustments to support the sector's significance to the city while easing cost pressures.

The key groups of activities under this strategic area are below, along with their alignment to the Council's strategic direction that is outlined in Volume 1, page 36.

Our Tākai Here and Te Tiriti Commitment

Our commitment underpins all economic and cultural activities. The Tūpiki ora Māori Strategy outlines priorities including that Wellington is a bilingual city by 2040 – Māori, mana whenua and the wider community have access to learning opportunities to use to reo Māori; and Mana whenua and Māori narratives, identities, histories and landmarks are increasingly present and visible, and there is a growing understanding and recognition within the region through education and resource. More information on this commitment is in Volume 1 and Volume 3 in our Strategic Direction sections.

Key activity groups

Activity groups	Community outcome	Strategic priority (where applicable)	Key strategies or plans
4.1 Ngohe Toi, Ahurea Hoki | Arts and Cultural Activities	Cultural wellbeing: A welcoming, diverse and creative city	■ Nurture and grow our arts sector ■ Revitalise the city and suburbs to support a thriving and resilient economy and support job growth ■ Celebrate and make visible te ao Māori across our city	■ Aho Tini | Arts, Culture, and Creativity Strategy ■ Infrastructure Strategy 2024 ■ Finance Strategy 2024

How we will embed Strategic Approaches in this activity

We are proud that this 10-year plan embeds five approaches to help guide the Council in all parts of our plan. How these approaches will be applied in this strategic area is outlined below.

Strategic Approaches are about how we will deliver our work. They are important and to be applied to everything we do.

Integrating te ao Māori	Support events and celebrations that give expression to a te ao Māori presence and ensure that ngā toi Māori and te reo Māori are highly visible in storytelling and streetscape.
Making our city accessible and inclusive for all	Reflect the increasing diversity of our communities, and encourage access, availability and participation in arts and culture. This includes supporting story telling of experiences and histories for our diverse communities.
Embedding climate action	Work with arts and creative organisations to better enable the transition to a zero-carbon circular economy. We will partner with the arts, creative, science and innovation sectors to explore complex issues, develop new solutions and show what's possible. The carbon impact plays a significant role in decisions around what activities are supported and prioritised.
Engaging our community	Ensure that creative thinking and arts practitioners are involved early in our major infrastructure projects to ensure the disruption from infrastructure transformation is managed well. We will identify opportunities to co-create and shape initiatives that foster a sense of belonging and support resilient community, creative, and cultural spaces.
Value for money	Focus on ensuring our resources work harder to get the best outcomes possible within a constrained funding environment. We will deliver high quality, well managed programmes and projects to maximise value for our residents and the city. This also means being more strategic with the funding we have available.

4.1 He mahi toi, he mahi ahurea

Arts and Cultural Activities

Purpose

Our city is recognised as the cultural capital of New Zealand.

This reflects a mix of factors, including the presence of national arts organisations in the city, as a centre of major arts tertiary education in the city, funding support from the Council, a thriving community of Māori creatives, the sense of a supportive citizenry, and a reputation for edgy and interesting arts in the city.

Activities

Activities in this group	Services we deliver
4.1.1 City Galleries and Museums	■ Managing the city's art collection of more than 600 works, including the Wellington Collection at the Ngauranga Gorge collection store which is cared for by Experience Wellington
4.1.2 Visitor attractions	■ Funding Experience Wellington to have free and charged for public programmes and learning experiences across its sites: Wellington Museum, City Gallery Wellington, Cable Car Museum, Nairn Street Cottage, Space Place at Carter Observatory, Capital E ■ Funding contribution to Te Papa
4.1.3 Arts and cultural festivals	■ Advising on and supporting a range of community events, including the Newtown Festival and Chinese New Year ■ Delivering free public events throughout the year, including key Māori celebrations and events (e.g. Gardens Magic, New Years Eve, Matariki: Ahi Kā Festival, and Anzac Day) ■ Supporting major cultural events (e.g. Te Rā o Waitangi, Diwali, and Pasifika Festival) ■ Advising, funding and providing logistical support for a range of community events
4.1.4 Cultural Grants	■ Direct grants support to creative sector organisations, agencies and projects at professional and community levels. This includes support for events and festivals and grants that directly target Māori creatives.
4.1.5 Access and support for community art	■ Providing arts advice and support to arts organisations and maintaining an art collection of more than 600 artworks
4.1.7 Regional Amenities Fund	■ Infrastructure support to the sector through management of Toi Poneke (which houses a community of practitioners, arts organisations and creative businesses), Hannah Playhouse and governance overview of civic venues managed on council's behalf by WellingtonNZ
4.1.6 Arts Partnerships	■ Supporting, delivering or commissioning a range of public art around Wellington, including some provision of public art by Māori and mana whenua artists (e.g. Mason's Lane and Courtenay Place lightboxes, Waituhi flags, art on walls, support for Sculpture Trust) ■ Facilitating career pathways for artists and arts organisations; advocating for creative value in Wellington City.

Rationale for Activities

- For city vibrancy and cultural expression. The arts contribute to a vibrant city and provide opportunities for cultural expression, enhancing Wellington’s vibrancy as a diverse, active and eventful place attractive to visitors.
- To build and maintain a sense of place and identity. Our museums, visitor attractions and events shape Wellington’s sense of place and identity. They celebrate creativity and ideas and increase our understanding of culture, our shared history, science, ourselves and each other.
- To grow visitation and exposure to creativity and innovation. We aim to grow the numbers of visitors to our attractions, providing ideas and places where people can connect, share what is common and explore what is different and new.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
4.1 Arts and cultural activities	We do not anticipate any significant negative effects associated with the provision of these services.	N/A

Key service level changes

Affordability

To address affordability pressures affecting both the Council and the community, we will continue exploring ways to develop the efficiency of delivering arts and culture services. This includes operating more commercially where possible and identifying areas for savings to ease cost pressures. For example, we will no longer fund an annual fireworks display (such as for Matariki or special event). The New Years’ Eve Display will continue.

While recognising the necessity of certain changes to ease cost pressures, we understand the sector's significance to the city. Recognising the Arts and Culture sector’s importance to the city, our strategic focus for this LTP is prioritising targeted adjustments over wholesale changes to the levels of service. This involves making essential and strategic investments while implementing minor reductions in specific areas.

Venues and facilities

- Over the next three years, we will investigate the best course of action for the Te Ngākau Civic Square area. The includes the former Capital E building, the basement supporting the Town Hall, Te Matapihi, and the City-to-Sea bridge to the waterfront. Options under consideration include the possibility of demolishing these structures.
- In 2026 we expect to re-open the Town Hall following major earthquake strengthening.
- ~~We will explore potential options for earthquake-prone venues, including the Michael Fowler Centre, Bond Store, and Opera House. We will also investigate options for other earthquake prone venues that support arts and culture activities~~. Any changes to levels of service will be identified for the 2027-37~~4~~ LTP.
- As part of the capital programme review, we will adjust the budget for earthquake-prone buildings in Te Ngākau Civic Square to meet the minimum requirements for the potential demolition of the Michael Fowler Centre (MFC), which must comply by 2034. The MFC's future will be decided through further investigations and a future venues strategy consultation.
- We are also deferring the Bond Store upgrade until 2031. The deadline to earthquake strengthen the building is in 2034.
- We are exploring venue options for Toi Pōneke. We are also looking at reshaping our service design so that it better meets Māori and other local arts community's needs.
- We are reviewing the grants funding, which will result in a reduction or removal of funding for national organisations and increased funding available for local arts.
- We will contribute to the National Music Centre establishment.

Living Wage

We retain our ongoing commitment to support a Living Wage for events and artists and we will review options in the next 12 months for this to be achieved through existing fund criteria or the continuation of specific top-up Living Wage funding. For CCOs we will provide top-up funding for Year 1, with

the expectation that this is managed
within existing budgets from Year 2.

Statement of levels of service and performance measures

Activity – 4.1 Arts and Cultural Activities

Level of service statement: Build and maintain a sense of place and identity for our city

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
(%) Attendees satisfied with Council-delivered festivals and events	Client Satisfaction	86% (YE22/23)	90%	Annual
(%) Residents agree: a. The Council enables local events, activities and cultural activities b. I feel welcome and included in cultural events and activities in Wellington c. I see my community reflected in Wellington's cultural activities	Accessibility	a. 71% (RMS 2024) b. 69% (RMS 2024) c. 57% (RMS 2024)	a. 71% b. 69% c. 57%	Annual
By 2026 Toi Pōneke will deliver: a. At least 30% of programming across exhibitions and related public programmes from Māori, Pacific peoples and minority groups b. At least 30,000 visitors per annum	Accessibility	a. 57%[1] b. 19,910 (Dec 23)	a.≥ 30% b. ≥ 30,000	6 monthly
By 2026 the Hannah Playhouse will deliver: a. At least 15% of the work in the house is developing tangata whenua and/or Pasifika practitioners b. At least 500 supported artists utilising the Hannah each year c. At least 6,000 audience attendance each year	Accessibility	a. 15% (Dec 23) b. 306 (Dec 23) c. 4194 (Dec 23)	a. ≥ 15% b. ≥ 500 c. ≥ 6,000	6 monthly
Number of total Council initiatives and events that have significant inclusion of te ao Māori	Sustainability	23	≥8[2]	Annual
Wellington Museums Trust (Experience Wellington) - achievement of Statement of Intent (SOI) Note: 2024/25 SOI comprises seven KPIs with the following targets: 1. Number of visitors: 470,500 2. Student & Education visits: 23,100 3. Council operating grant per visitor: $20.71 4. Trading revenue per visit (excl. grants & interest): $3.81 5. Non-council donations and funding: $423,000 6. Non-council revenue as percentage of total revenue: 22% 7. Percentage (%) of visitors who rate the quality of their experience (good or very good): 87%	Other	Achieved (4/7 KPIs YE22/23)	Achieved	Quarterly

1 Baseline is calculated using the 23/24 pre-planned schedule

2 Target is less than Baseline due to constrained financial environment

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
4.1.1 Galleries and museums (WMT)	Expense	~~11,381,801~~	~~11,862,770~~	~~12,319,892~~	~~12,612,391~~	~~13,243,486~~	~~13,612,669~~	~~13,829,320~~	~~14,025,809~~	~~14,212,398~~	~~14,377,113~~
4.1.2 Visitor attractions (Te Papa / Carter Observatory)	Expense	~~3,162,942~~	~~3,205,549~~	~~3,251,748~~	~~3,288,326~~	~~3,324,847~~	~~3,360,291~~	~~3,397,221~~	~~3,437,720~~	~~3,466,274~~	~~3,494,928~~
4.1.3 Arts and cultural festivals	Expense	~~5,413,622~~	~~5,524,613~~	~~5,473,394~~	~~5,599,804~~	~~5,710,698~~	~~5,808,502~~	~~5,930,143~~	~~6,065,893~~	~~6,405,787~~	~~6,291,888~~
	Income	~~(80,000)~~	~~(81,600)~~	~~(83,395)~~	~~(85,230)~~	~~(87,020)~~	~~(88,760)~~	~~(90,447)~~	~~(92,165)~~	~~(93,916)~~	~~(95,607)~~
4.1.4 Cultural grants	Expense	~~3,024,202~~	~~3,024,202~~	~~3,024,202~~	~~3,024,202~~	~~3,024,202~~	~~3,024,202~~	~~3,024,202~~	~~3,024,202~~	~~3,024,202~~	~~3,024,202~~
4.1.5 Access and support for community arts	Expense	~~2,650,270~~	~~2,748,791~~	~~2,775,951~~	~~2,860,984~~	~~2,927,579~~	~~2,941,927~~	~~2,981,515~~	~~3,074,379~~	~~3,130,631~~	~~3,204,840~~
	Income	~~(24,000)~~	~~(24,480)~~	~~(25,019)~~	~~(25,569)~~	~~(26,106)~~	~~(26,628)~~	~~(27,134)~~	~~(27,650)~~	~~(28,175)~~	~~(28,682)~~
4.1.6 Arts partnerships	Expense	~~2,816,322~~	~~3,270,426~~	~~2,759,780~~	~~3,265,974~~	~~3,480,127~~	~~3,541,599~~	~~3,618,982~~	~~3,705,998~~	~~3,767,032~~	~~3,821,973~~
	Income	~~(482,840)~~	~~(492,497)~~	~~(503,332)~~	~~(514,405)~~	~~(525,208)~~	~~(535,712)~~	~~(545,890)~~	~~(556,262)~~	~~(566,831)~~	~~(577,034)~~
4.1.7 Regional amenities fund	Expense	~~609,200~~	~~609,200~~	~~609,200~~	~~609,200~~	~~609,200~~	~~609,200~~	~~609,200~~	~~609,200~~	~~609,200~~	~~609,200~~
Total		**~~28,471,520~~**	**~~29,646,973~~**	**~~29,602,422~~**	**~~30,635,677~~**	**~~31,681,806~~**	**~~32,247,290~~**	**~~32,727,114~~**	**~~33,267,123~~**	**~~33,926,601~~**	**~~34,122,820~~**

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
4.1.1 Galleries and museums (WMT)	~~1,685,981~~	~~12,315,753~~	~~5,754,399~~	~~957,371~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
4.1.2 Visitor attractions (Te Papa / Carter Observatory)	~~353,751~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
4.1.4 Cultural grants	~~1,067,995~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
4.1.5 Access and support for community arts	~~119,820~~	~~76,575~~	~~78,260~~	~~79,903~~	~~81,501~~	~~83,050~~	~~84,628~~	~~86,236~~	~~87,788~~	~~89,368~~
4.1.6 Arts partnerships	~~275,000~~	~~3,350,000~~	~~2,085,000~~	~~95,000~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total	**~~3,502,547~~**	**~~15,742,328~~**	**~~7,917,659~~**	**~~1,132,275~~**	**~~81,501~~**	**~~83,050~~**	**~~84,628~~**	**~~86,236~~**	**~~87,788~~**	**~~89,368~~**

Funding impact statement ($000s)

4.1 Arts and Cultural Activities	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~20,426~~	~~21,451~~	~~21,260~~	~~22,195~~	~~23,057~~	~~23,506~~	~~23,906~~	~~24,368~~	~~24,961~~	~~25,096~~
Targeted rates (other than a targeted rate for water supply)	~~8,084~~	~~8,234~~	~~8,380~~	~~8,479~~	~~8,662~~	~~8,780~~	~~8,860~~	~~8,937~~	~~9,004~~	~~9,065~~
Subsidies and grants for operating purposes	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Fees and charges	~~587~~	~~599~~	~~612~~	~~625~~	~~638~~	~~651~~	~~663~~	~~676~~	~~689~~	~~701~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total operating funding (A)	**~~29,096~~**	**~~30,284~~**	**~~30,252~~**	**~~31,299~~**	**~~32,358~~**	**~~32,936~~**	**~~33,429~~**	**~~33,981~~**	**~~34,654~~**	**~~34,862~~**
Applications of operating funding										
Payments to staff and suppliers	~~7,821~~	~~8,440~~	~~7,965~~	~~8,123~~	~~8,291~~	~~8,452~~	~~8,614~~	~~8,781~~	~~9,176~~	~~9,088~~
Finance costs	~~79~~	~~75~~	~~74~~	~~78~~	~~82~~	~~88~~	~~97~~	~~111~~	~~113~~	~~116~~
Other operating funding applications	~~18,675~~	~~19,198~~	~~19,687~~	~~19,987~~	~~20,255~~	~~20,490~~	~~20,689~~	~~20,865~~	~~21,029~~	~~21,167~~

4.1 Arts and Cultural Activities	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Internal charges	~~1,772~~	~~1,843~~	~~1,786~~	~~1,919~~	~~2,008~~	~~2,071~~	~~2,197~~	~~2,354~~	~~2,422~~	~~2,534~~
Total applications of operating funding (B)	**~~28,347~~**	**~~29,556~~**	**~~29,512~~**	**~~30,107~~**	**~~30,635~~**	**~~31,101~~**	**~~31,597~~**	**~~32,110~~**	**~~32,740~~**	**~~32,905~~**
Surplus (deficit) of operating funding (A-B)	**~~750~~**	**~~728~~**	**~~740~~**	**~~1,192~~**	**~~1,723~~**	**~~1,835~~**	**~~1,831~~**	**~~1,871~~**	**~~1,913~~**	**~~1,957~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Development and financial contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in debt	~~2,753~~	~~15,015~~	~~7,177~~	~~(60)~~	~~(1,641)~~	~~(1,752)~~	~~(1,747)~~	~~(1,785)~~	~~(1,825)~~	~~(1,868)~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~2,753~~**	**~~15,015~~**	**~~7,177~~**	**~~(60)~~**	**~~(1,641)~~**	**~~(1,752)~~**	**~~(1,747)~~**	**~~(1,785)~~**	**~~(1,825)~~**	**~~(1,868)~~**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
- to improve level of service	~~2,266~~	~~15,742~~	~~7,918~~	~~1,132~~	~~82~~	~~83~~	~~85~~	~~86~~	~~88~~	~~89~~
- to replace existing assets	~~1,237~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in reserves	~~0~~	~~0~~	~~(0)~~	~~(0)~~	~~(0)~~	~~0~~	~~(0)~~	~~(0)~~	~~(0)~~	~~0~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~3,503~~**	**~~15,742~~**	**~~7,918~~**	**~~1,132~~**	**~~82~~**	**~~83~~**	**~~85~~**	**~~86~~**	**~~88~~**	**~~89~~**
Surplus (deficit) of capital funding (C-D)	**~~(750)~~**	**~~(728)~~**	**~~(740)~~**	**~~(1,192)~~**	**~~(1,723)~~**	**~~(1,835)~~**	**~~(1,831)~~**	**~~(1,871)~~**	**~~(1,913)~~**	**~~(1,957)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~712~~	~~690~~	~~702~~	~~1,154~~	~~1,685~~	~~1,797~~	~~1,793~~	~~1,833~~	~~1,875~~	~~1,920~~

Changes to this document are reflected in other financial information that is included as part of the amendment of the 2024-25 Long-term Plan.

5. Pāpori me te hākinakina

Social and recreation

The mahi for Social and Recreation is focused on the health and wellbeing of the community.

Overview

Wellington's open space and recreation networks are crucial for the city's environmental, social, economic, and cultural wellbeing. The Open Spaces and Recreation Strategy envisions a network of parks and recreation facilities integrated into daily life, designed for flexible use to meet diverse needs.

The Council's Te Awe Māpara | The Community Facilities Plan outlines a 30-year framework with 58 prioritized actions to ensure thriving, accessible community facilities. These spaces aim to foster connection, fun, and belonging.

To reduce carbon emissions, the Council will invest in transitioning swimming pools away from gas, which currently contributes 45% of the Council's building emissions.

Community facilities and services aim to create liveable, safe, and inclusive communities through support initiatives, housing access, and facilities like community centres and libraries. Most services will remain at current levels for the 2024-34 LTP. The opening of Te Matapihi will enhance central city facilities, celebrating te ao Māori. Social housing upgrades continue to be a key improvement.

Over the next ten years, the adoption of Te Awe Māpara will guide the evolution of community facilities to maximize benefits and make smarter decisions. This includes investigating facility needs and potential changes to future facility mixes.

We continue to focus on processing of alcohol licenses, food safety certificates, dog registrations, gambling consents and health licenses for businesses and activities that could impact human health. We will also continue to operate animal control service and litter enforcement.

The key groups of activities under this strategic area are below, along with their alignment to the Council's strategic direction that is outlined in Volume 1, page 36.

Our Tākai Here and Te Tiriti Commitment

Our commitment underpins all social and recreation activities, including by the Basin Reserve Trust. The Tūpiki Ora Māori Strategy outlines our priorities in its waypoint, He whānau toiora | thriving and vibrant communities including whānau Māori are in warm, quality, safe and affordable housing throughout the city. More information on this commitment is in Volume 1 and Volume 3 in our Strategic Direction sections.

Key activity groups

Activity groups	Community outcome	Strategic priority (where applicable)	Key strategies or plans
5.1 Recreation Facilities and Services	Social wellbeing: A city of health and thriving whānau and communities	■ Invest in sustainable, connected and accessible community and recreation facilities	■ Te Whai Oranga Pōneke – Open Space and Recreation Strategy ■ Te Awe Māpara – Community Facilities Plan ■ Strategy for Children and Young People ■ Infrastructure Strategy 2024 ■ Finance Strategy 2024
5.2 Community Facilities and Services	Social wellbeing: A city of health and thriving whānau and communities	■ Invest in sustainable, connected and accessible community and recreation facilities ■ Increase access to good, affordable housing to improve the wellbeing of our communities	■ Te Whai Oranga Pōneke – Open Space and Recreation Strategy ■ Te Awe Māpara – Community Facilities Plan ■ Strategy for Children and Young People ■ Homelessness Strategy ■ Housing Strategy ■ Infrastructure Strategy 2024 ■ Finance Strategy 2024
5.3 Public Health and Safety	Social wellbeing: A city of health and thriving whānau and communities. Urban form: A liveable and accessible, compact city.	■ Invest in sustainable, connected and accessible community and recreation facilities ■ Revitalise the city and suburbs to support a thriving and resilient economy and support job growth	■ Enforcement and Compliance Policy

How we will embed Strategic Approaches in this activity

We are proud that this 10-year plan embeds five approaches to help guide the Council in all parts of our plan. How these approaches will be applied in this strategic area is outlined below.

Integrating te ao Māori	Work together with our Tākai Here partners on our strategic projects to uplift te ao Māori using language and design.
Making our city accessible and inclusive for all	As we upgrade our facilities, we will utilise Universal Design principles to ensure facilities are accessible and inclusive for all. We must also provide accessibility information online, on-site and in different mediums to help people know in advance which places are accessible to them and how they can use them.
Embedding climate action	Climate change adaptation planning will help inform future investment decisions, particularly for assets in coastal locations. Future community leases and renewals will take into account any impact of climate change and adaptation requirements. As we upgrade our facilities, we will address climate adaptation needs.
Engaging our community	Follow a robust process to work with the community, understand needs, test all options, determine the best response, and prepare a business case to provide clear justification for any investment to change a community facility. We will identify opportunities to co-create and shape initiatives that foster a sense of belonging and support resilient community, creative, and cultural spaces.
Value for money	In addition to the outcomes sought by the Community Facilities Plan and Te Whai Oranga Pōneke, strategic rationalisation will be a key factor for consideration in the investigations of each area's needs. We will make future focused decisions that provide best outcomes and value for money for the long term.

5.1 Ngā whare me ngā ratonga mahi ā-rēhia

Recreation Facilities and Services

Purpose

To support the wellness of people to live and play, and the intrinsically connected health of the environment.

Wellington City Council provides a range of recreation and leisure facilities to encourage active and healthy lifestyles and enable participation in sporting and other group activities. Through the promotion and support of recreation opportunities we contribute to the development of strong, healthy communities and a high quality of life for Wellingtonians.

People enjoy our open spaces and parks for exercising, socialising, relaxing, playing and connecting to nature. Our open spaces contain much of Wellington’s natural elements such as waterways, forests, shorelines and are home to our native biodiversity. They are also equipped with recreation facilities such as playgrounds and sports fields.

Activities

Activities in this group	Services we deliver
5.1.1 Swimming pools	■ Managing, maintaining and servicing seven pool facilities, including: ■ year-round facilities and two summer pools. ■ Two integrated fitness centres throughout the city and suburbs ■ ‘Learn to Swim’ courses for children and adults
5.1.2 Sports fields	■ Managing and maintaining outdoor sports facilities in the city, including: □ 44 natural and 11 artificial sports turfs (two in partnership with schools), which provide year-round venues for recreation and competitive sport □ nine croquet lawns □ Newtown Park running track □ the velodrome □ tennis and netball courts □ Basin Reserve: refer to the CCO section on page 105.
5.1.3 Recreation Programmes	■ Managing, maintaining and servicing four community recreation centres, croquet facilities, tennis, netball and basketball half courts, and the Ākau Tangi Sports Centre
5.1.4 Recreation centres	■ Offer various community programmes through the facilities.
5.1.5 Recreation activations and partnerships	■ Managing about 30 premises leases, 100+ ground leases to a range of recreation, sporting, marae and community organisations. ■ Supporting the Basin Reserve Trust, a CCO that manages and operates the Basin Reserve to continue to attract national and international events to Wellington.
5.1.6 Playgrounds	■ Managing and maintaining 107 playgrounds and skateparks
5.1.7 Marinas	■ Maintaining other Council-owned recreational facilities, including
5.1.8 Golf course	□ the Berhampore golf course □ two marinas, with financial support to groups providing publicly accessible facilities.
5.1.9 Leisure Card	■ Delivery of programmes to those for who cost is a barrier to encourage participation in leisure activities

Rationale for Activities

- To encourage active and healthy lifestyles. Our swimming pools, sports fields and other recreation centres provide access to sport and recreation opportunities, which are important for people's health and wellbeing.
- To enable participation in sporting and other group activities. Our recreation facilities give sporting and recreation groups a space to organise sport and recreation programmes.
- For social cohesion and connectedness. Our recreation facilities provide important community focal points and recreation opportunities that bring people together.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
5.1 Recreation Facilities	There are negative effects from owning and managing buildings and other assets to deliver these services. These include waste, direct energy use to operate the buildings, indirect energy use, and emissions from people using private transport to access our facilities.	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 to places of recreation
	All the indoor pools are currently heated by gas. The negative effect is that it produces CO^2 and it is expensive to run.	We have agreed to allocate $14m from the Climate Resilience Fund to degasify the pool network.

Key service level changes

Recreation facilities

We will commence design and engagement of Grenada North Park sports field upgrades and commence works in Year 2. This will result in an improvement to sports field provision in Grenada North.

We will construct a destination skate park at Kilbirnie Park. The skate park upgrades at Ian Galloway and Waitangi Park will not be funded. However, the Council's Grants Subcommittee will allocate $80,000 from the Sportsville fund in year two of the LTP for feasibility studies of upgrades for Waitangi Park and Ian Galloway skateparks.

One significant service change is the proposal to close Khandallah Pool. The council has agreed to keep the pool open for at least one year and investigate feasibility of a possible fix within the $7.5m budget allocated. An advisory group will be set up with representatives from community, Mayor and Council. Technical and engineering expert advice will be sought. The Council has also agreed to allocate $14m from the Climate Resilience Fund to degasify the full pool network.

Te Awe Māpara

A key feature for this activity grouping over the coming ten years will be the adoption of the Council's Te Awe Māpara | Community Facility Plan. The plan sets out the future approach to guide the Council's provision and decision-making about community facilities. It includes several facility investigations to be undertaken in partnership with the community, taking a holistic view across the city, different facility types and consideration of facilities for whānau and hapori Māori. The aim is to be smarter and maximise the benefits of community facilities, and this plan may lead to changes to the mix of future facilities.

Renewals

We will limit renewals spending to critical assets. This will result in the deterioration of sports fields condition over time, a longer time between playground renewals and the gradual reduction in asset condition (more poor or very poor asset conditions).

Statement of levels of service and performance measures

Activity: 5.1 Recreation Facilities and Services

Level of service statements: Maintain high quality sports amenities and recreational facilities, and encourage participation in leisure activities

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
(%) User satisfaction with pools	Client satisfaction	77% (YE22/23)	80%	Annual
Ratepayer subsidy per swimming pool visit ($)	Affordability	$22.41 (YE22/23)	<$22.50	Annual
(%) User satisfaction with recreation centres including Akau Tangi sports centre	Client satisfaction	87% (YE22/23)	85%	Annual
Ratepayer subsidy per recreational centre visit including Akau Tangi ($)	Affordability	$8.12 (YE22/23)	<$9	Annual
(%) Perception that recreation facilities are easy to access	Accessibility	70% (RMS 2024)	70%	Annual
Utilisation of Leisure card (increase in number of active users)	Quality	27% (YE22/23)	28%	Annual
(%) User satisfaction with sports fields	Client satisfaction	81% (YE22/23)	80%	Annual
(%) Residents satisfied with the quality and maintenance of Playgrounds and Skateparks	Client satisfaction	61% (RMS2024)	70%	Annual
Basin Reserve - achievement of Statement of Intent Note: 2024/25 SOI comprises of four KPIs with the following targets: 1. Numbers attending events at the Basin Reserve: 40,000 2. Council operating grant per attendance: $21.06 3. Event income: $390,000 4. Activity days (comprising ticketed Cricket events, practice facility usage and functions): 192	Other	Achieved (4/8 KPIs YE22/23)	Achieved	Quarterly

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
5.1.1 Swimming Pools	Expense	~~35,409,217~~	~~36,240,159~~	~~36,852,795~~	~~38,289,059~~	~~39,570,494~~	~~40,540,666~~	~~41,798,659~~	~~43,722,064~~	~~44,649,405~~	~~45,965,715~~
	Income	~~(8,900,453)~~	~~(9,170,978)~~	~~(9,372,739)~~	~~(9,410,696)~~	~~(9,838,292)~~	~~(9,747,970)~~	~~(10,210,461)~~	~~(10,353,726)~~	~~(10,438,580)~~	~~(10,652,810)~~
5.1.2 Sportsfields	Expense	~~7,885,518~~	~~8,068,113~~	~~8,708,328~~	~~9,564,569~~	~~9,874,181~~	~~10,098,494~~	~~10,327,578~~	~~10,664,314~~	~~10,717,667~~	~~11,085,510~~
	Income	~~(1,022,777)~~	~~(1,063,633)~~	~~(1,087,033)~~	~~(1,110,948)~~	~~(1,134,278)~~	~~(1,156,963)~~	~~(1,178,945)~~	~~(1,201,345)~~	~~(1,224,171)~~	~~(1,246,206)~~
5.1.3 Recreation Programmes	Expense	~~636,516~~	~~630,447~~	~~631,757~~	~~651,707~~	~~651,019~~	~~662,456~~	~~680,964~~	~~702,640~~	~~716,440~~	~~734,449~~
	Income	~~(105,000)~~	~~(61,200)~~	~~(62,546)~~	~~(63,922)~~	~~(65,265)~~	~~(66,570)~~	~~(67,835)~~	~~(69,124)~~	~~(70,437)~~	~~(71,705)~~
5.1.4 Recreation Centres	Expense	~~13,304,708~~	~~13,575,085~~	~~13,988,602~~	~~14,423,071~~	~~14,826,676~~	~~15,438,026~~	~~15,791,490~~	~~16,389,684~~	~~17,086,977~~	~~17,434,983~~
	Income	~~(2,762,816)~~	~~(2,844,569)~~	~~(2,907,150)~~	~~(2,971,107)~~	~~(3,033,500)~~	~~(3,094,170)~~	~~(3,152,959)~~	~~(3,212,866)~~	~~(3,273,910)~~	~~(3,332,840)~~
5.1.5 Recreation partnerships	Expense	~~2,691,399~~	~~2,824,739~~	~~2,964,898~~	~~3,087,242~~	~~3,219,991~~	~~3,398,223~~	~~3,733,031~~	~~4,033,935~~	~~4,247,909~~	~~4,426,618~~
5.1.6 Playgrounds	Expense	~~1,767,954~~	~~1,953,979~~	~~2,375,221~~	~~2,603,315~~	~~2,755,872~~	~~2,890,589~~	~~3,022,118~~	~~3,176,306~~	~~3,309,509~~	~~3,467,350~~
5.1.7 Marinas	Expense	~~976,085~~	~~1,000,493~~	~~1,021,908~~	~~1,106,337~~	~~1,158,115~~	~~1,249,116~~	~~1,296,882~~	~~1,394,510~~	~~1,405,947~~	~~1,457,520~~
	Income	~~(795,361)~~	~~(1,043,130)~~	~~(1,066,079)~~	~~(1,089,532)~~	~~(1,112,413)~~	~~(1,134,661)~~	~~(1,156,219)~~	~~(1,178,187)~~	~~(1,200,573)~~	~~(1,222,183)~~
5.1.8 Golf Course	Expense	~~290,952~~	~~290,250~~	~~298,015~~	~~309,350~~	~~318,910~~	~~326,554~~	~~337,127~~	~~348,843~~	~~356,973~~	~~366,237~~
	Income	~~(80,862)~~	~~(82,479)~~	~~(84,293)~~	~~(86,148)~~	~~(87,957)~~	~~(89,716)~~	~~(91,421)~~	~~(93,158)~~	~~(94,928)~~	~~(96,636)~~
5.1.9 LeisureCard	Expense	~~100,521~~	~~184,497~~	~~184,364~~	~~192,889~~	~~198,895~~	~~203,252~~	~~211,232~~	~~220,565~~	~~226,404~~	~~234,207~~
Total		**~~49,395,601~~**	**~~50,501,773~~**	**~~52,446,048~~**	**~~55,495,187~~**	**~~57,302,450~~**	**~~59,517,327~~**	**~~61,341,241~~**	**~~64,544,455~~**	**~~66,414,634~~**	**~~68,550,208~~**

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
5.1.1 Swimming Pools	~~4,450,467~~	~~9,452,900~~	~~4,471,940~~	~~7,311,333~~	~~5,989,374~~	~~6,085,388~~	~~1,398,497~~	~~2,339,648~~	~~2,784,148~~	~~2,621,806~~
5.1.2 Sportsfields	~~2,489,526~~	~~6,544,339~~	~~8,767,191~~	~~450,926~~	~~1,039,539~~	~~1,848,538~~	~~1,985,705~~	~~479,966~~	~~2,286,937~~	~~4,271,007~~
5.1.4 Recreation Centres	~~239,972~~	~~754,687~~	~~2,962,197~~	~~132,148~~	~~550,192~~	~~431,913~~	~~138,024~~	~~1,181,929~~	~~1,589,548~~	~~8,478,656~~
5.1.5 Recreation partnerships	~~437,415~~	~~136,126~~	~~183,674~~	~~314,322~~	~~690,416~~	~~2,882,667~~	~~969,026~~	~~1,667,689~~	~~406,304~~	~~303,848~~
5.1.6 Playgrounds	~~2,699,070~~	~~7,525,416~~	~~1,878,183~~	~~3,196,121~~	~~2,080,217~~	~~1,852,197~~	~~1,759,234~~	~~2,081,627~~	~~2,700,016~~	~~2,002,479~~
5.1.7 Marinas	~~1,230,849~~	~~241,501~~	~~1,840,982~~	~~160,341~~	~~2,249,008~~	~~193,747~~	~~57,525~~	~~355,183~~	~~98,907~~	~~171,227~~
Total	~~11,547,300~~	~~24,654,969~~	~~20,104,167~~	~~11,565,191~~	~~12,598,746~~	~~13,294,450~~	~~6,308,010~~	~~8,106,041~~	~~9,865,860~~	~~17,849,022~~

Funding impact statement ($000s)

5.1 Recreation Promotion and Support	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~47,077~~	~~48,050~~	~~49,854~~	~~52,781~~	~~54,456~~	~~56,492~~	~~57,982~~	~~60,884~~	~~62,540~~	~~64,497~~
Targeted rates (other than a targeted rate for water supply)	~~2,691~~	~~2,825~~	~~2,965~~	~~3,087~~	~~3,220~~	~~3,398~~	~~3,733~~	~~4,034~~	~~4,248~~	~~4,427~~
Subsidies and grants for operating purposes	~~15~~	~~15~~	~~16~~	~~16~~	~~16~~	~~17~~	~~17~~	~~17~~	~~18~~	~~18~~
Fees and charges	~~13,652~~	~~14,251~~	~~14,564~~	~~14,716~~	~~15,255~~	~~15,273~~	~~15,841~~	~~16,091~~	~~16,285~~	~~16,604~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total operating funding (A)	**~~63,436~~**	**~~65,141~~**	**~~67,399~~**	**~~70,601~~**	**~~72,947~~**	**~~75,181~~**	**~~77,572~~**	**~~81,026~~**	**~~83,091~~**	**~~85,546~~**
Applications of operating funding										
Payments to staff and suppliers	~~31,329~~	~~31,802~~	~~32,828~~	~~33,524~~	~~34,317~~	~~35,230~~	~~35,892~~	~~36,815~~	~~37,739~~	~~38,239~~
Finance costs	~~3,694~~	~~3,770~~	~~3,950~~	~~4,106~~	~~4,237~~	~~4,450~~	~~4,716~~	~~5,117~~	~~5,149~~	~~5,230~~
Other operating funding applications	~~1,047~~	~~1,077~~	~~1,101~~	~~1,123~~	~~1,142~~	~~1,159~~	~~1,173~~	~~1,186~~	~~1,198~~	~~1,208~~
Internal charges	~~14,491~~	~~15,080~~	~~15,173~~	~~16,158~~	~~16,864~~	~~17,499~~	~~18,430~~	~~19,722~~	~~20,215~~	~~20,992~~
Total applications of operating funding (B)	~~50,560~~	~~51,729~~	~~53,052~~	~~54,911~~	~~56,560~~	~~58,338~~	~~60,211~~	~~62,839~~	~~64,300~~	~~65,669~~
Surplus (deficit) of operating funding (A-B)	**~~12,876~~**	**~~13,412~~**	**~~14,347~~**	**~~15,690~~**	**~~16,387~~**	**~~16,843~~**	**~~17,361~~**	**~~18,187~~**	**~~18,791~~**	**~~19,877~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~500~~	~~2,040~~	~~1,042~~	~~0~~	~~0~~	~~0~~	~~1,696~~	~~1,152~~	~~0~~	~~0~~

5.1 Recreation Promotion and Support	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Development and financial contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in debt	~~(1,829)~~	~~9,203~~	~~4,714~~	~~(4,125)~~	~~(3,789)~~	~~(3,548)~~	~~(12,749)~~	~~(11,233)~~	~~(8,925)~~	~~(2,028)~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~(1,329)~~**	**~~11,243~~**	**~~5,757~~**	**~~(4,125)~~**	**~~(3,789)~~**	**~~(3,548)~~**	**~~(11,053)~~**	**~~(10,081)~~**	**~~(8,925)~~**	**~~(2,028)~~**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~8,185~~
- to improve level of service	~~2,160~~	~~17,869~~	~~11,620~~	~~4,964~~	~~3,753~~	~~4,024~~	~~0~~	~~159~~	~~609~~	~~165~~
- to replace existing assets	~~9,388~~	~~6,786~~	~~8,484~~	~~6,601~~	~~8,846~~	~~9,270~~	~~6,308~~	~~7,947~~	~~9,257~~	~~9,499~~
Increase (decrease) in reserves	~~(0)~~	~~(0)~~	~~(0)~~	~~(0)~~	~~(0)~~	~~(0)~~	~~(0)~~	~~(0)~~	~~(0)~~	~~(0)~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~11,547~~**	**~~24,655~~**	**~~20,104~~**	**~~11,565~~**	**~~12,599~~**	**~~13,294~~**	**~~6,308~~**	**~~8,106~~**	**~~9,866~~**	**~~17,849~~**
Surplus (deficit) of capital funding (C-D)	**~~(12,876)~~**	**~~(13,412)~~**	**~~(14,347)~~**	**~~(15,690)~~**	**~~(16,387)~~**	**~~(16,843)~~**	**~~(17,361)~~**	**~~(18,187)~~**	**~~(18,791)~~**	**~~(19,877)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~12,503~~	~~13,039~~	~~13,974~~	~~15,316~~	~~16,014~~	~~16,469~~	~~16,988~~	~~17,814~~	~~18,418~~	~~19,504~~

5.2 Ngā whare me ngā ratonga hapori

Community Facilities and Services

Purpose

By providing libraries, community centres and community housing we foster diverse and inclusive communities and enable people to connect with information and each other.

We provide a wide range of facilities forming part of the city's 'hard' social infrastructure that support community wellbeing. These include libraries, community spaces, social housing, public toilets, and cemeteries.

We also deliver services that assist in building a strong social infrastructure that supports diverse, inclusive, and resilient communities. We provide a wide range of services that support community wellbeing and harm reduction, include community service, advocacy, grants, and city safety.

Activities

Activities in this group	**Services we deliver**
5.2.1 Libraries	■ Access for all to a wide array of books, magazines, DVD, e-books, e-audio, online journals, streaming media and e-music tracks through the 13 libraries around Wellington and online library presence.
5.2.2 Community advocacy	■ Support for community groups, ensuring Wellington's diverse population is supported and embraced by an inclusive, caring and welcoming community.
	■ Work with external agencies and support outreach programmes to end street homelessness and address begging, providing a visible presence in the community.
5.2.3 Grants (Social and Recreation)	■ Ensures residents can participate in communities of choice, accessing support through a variety of mechanisms, including community grants.
	■ Climate and Sustainability Fund to support community groups wanting to take climate action locally.
	■ Home Energy Saver assessments for Wellington homeowners.
5.2.4 Housing	■ Provision of lease properties (over 1,900 units) to Te Toi Mahana Community Housing Provider
	■ Facilitation of affordable rental housing in the city through the Te Kāinga programme of CBD apartment conversions.
5.2.5 Community centres and halls	■ Access to community spaces and marae, including a citywide network of over 25 community centres and five community halls
	■ Delivers a city-wide network of effective community spaces that meet the community's needs.
5.2.6 Cemeteries	■ Managing and maintaining two cemeteries at Karori and Mākara, and providing cremation services at Karori Cemetery
	■ Partnership with our Tākai Here partners in the running of Opau Urupā.
5.2.7. Public Toilets	■ Ensuring the 94 public toilets and sports pavilions/beach changing rooms located across the city are accessible clean and safe.
5.2.8 City Safety	■ Provide leadership across activities and link with interagency programmes, such as alcohol harm reduction, management of graffiti, support for the city's youth, and programmes that eliminate sexual violence and addressing food insecurity.
	■ Ensuring Wellington is a safe and inclusive city where people know their neighbours and are safe.
	■ Reduces harm, improve community/city safety and improve social wellbeing.
5.2.9 WREMO	■ Support connected tolerant and resilient communities that know their neighbours.
	■ An effective CDEM welfare response and social recovery and co-ordination of the multi-agency response to a major shock event that affects the city.
	■ To provide technical input into natural hazard planning to avoid the risks in the first place.

Rationale for Activities

- To foster diverse and inclusive communities. Our community facilities are places for groups to come together – strengthening social cohesion, celebrating diversity and making the city a more appealing and welcoming place to live.
- To enable people to connect with information and with each other. Our community facilities are places of discovery and learning that allow people to connect with others and exchange knowledge through events and other activities.
- To support warmer, drier, healthier homes. The quality of Wellington homes is improved.
- To support communities to take climate action Climate actions that can be undertaken by community groups are supported and enabled

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
5.2 Community Facilities and Services	There are negative effects from owning and managing buildings and other assets to deliver these services. These include waste and direct water and energy use to operate buildings.	We seek to minimise these negative effects by ensuring our operations are managed effectively, waste is minimised or recycled, and water and energy are conserved.

Key service level changes

Affordability and value for money

Most of the services are to largely remain at current levels for 2024-34 LTP. For affordability, we are deferring the renewal of non-critical assets, which may result in deterioration of facility condition over time.

We will review and prioritise multi-year grants, with a focus on maintaining or reducing grants in alignment with outcomes, priorities, and strategies. This may involve discontinuing funding for larger community organisations with alternative funding sources. There will be a reduction in funding for non-priority programmes or larger organisations with legitimate alternative sources of funding. We have also improved the current funding structure by eliminating multiple and inequitable funding sources, for example, some community centres are funded through the Social & Recreation fund, and others receive LTP funding.

Community Facilities

The opening of Te Matapihi will be a significant increase to the provision of community facilities in the central city, and as a project that has been developed in partnership with our Tākai Here partners, will significantly celebrate and uplift te ao Māori through the use of language and design. In anticipation of the opening, we will close the Arapaki Service centre and temporary library on Manners St 18 months earlier than previously planned. The Brandon St Te Awe Library will continue to operate until Te Matapihi the Central City Library reopens.

A key feature for this activity grouping over the coming ten years will be the implementation of Te Awe Māpara | The Community Facilities Network Plan. The plan will guide the Council's provision and decision-making on community facilities. A key direction for the plan is to evolve community facilities to maximise the benefits and making more holistic and smarter facility decisions. The plan includes a number of facility and delivery investigations across all facility types and the city. Implementation of these actions may lead to changes to the mix of future facilities. As part of the capital programme review, we reduce funding for this programme in the final years of this LTP.

We will sell the Wadestown Community Centre and it will not be replaced. We will engage with the local community on how to spend the proceeds of the sale.

As part of the capital programme review, we will stop the progress of repairing and completing the construction of Karori Event Centre. Decision on the future of the building will be decided in the upcoming years. We will work on how the share of funding to the project donated by the community can be allocated to another appropriate community facility or project in Karori.

Housing

The continuation of planned upgrade of social housing stock is also a key service improvement in this activity.

We will continue to invest in the Te Kāinga affordable rental programme, reaching up to 1,000 properties available to the medium to lower income earners.

City Safety

The council will increase levels of service for city safety, including developing a plan and working with relevant agencies to reduce crime and improve safety in Wellington with a focus on the CBD

Statement of levels of service and performance measures

Activity – 5.2 Community Facilities and Services

Level of service statement: Provide accessible, safe and inclusive community facilities and services

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
Cost to the ratepayer per library transaction ($)	Affordability	$2.68 (YE22/23)	<$2.79	Annual
Toilets (%) that meet required cleanliness performance standards	Safety	97% (YE22/23)	95%	Quarterly
Percentage of public toilets across the city that are open and able to be used	Accessibility	95% (Mar2024)	95%	Quarterly
(%) User satisfaction with library services	Client Satisfaction	88% (YE22/23)	85%	Annual
(%) User satisfaction with community centres and halls	Client Satisfaction	84% (YE22/23)	85%	Annual
% of people who feel safe in the CBD a. During the day b. After dark	Accessibility	a. 86% (RMS 2024) b. 43% (RMS 2024)	a. 91% b. 60%	Annual

What it will cost

Operating Expenditure

Activity Component Name	**Income/ Expense**	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
5.2.1 Libraries	Expense	~~36,337,657~~	~~43,070,531~~	~~43,758,916~~	~~46,615,898~~	~~47,920,246~~	~~48,610,480~~	~~49,715,935~~	~~49,566,361~~	~~50,332,788~~	~~51,839,470~~
	Income	~~(386,851)~~	~~(298,814)~~	~~(305,415)~~	~~(312,163)~~	~~(318,748)~~	~~(325,155)~~	~~(331,367)~~	~~(337,396)~~	~~(343,337)~~	~~(349,517)~~
5.2.2 Community Advocacy	Expense	~~4,445,433~~	~~4,664,782~~	~~4,706,804~~	~~4,889,655~~	~~5,046,264~~	~~4,581,705~~	~~4,743,866~~	~~4,931,923~~	~~5,053,297~~	~~5,211,237~~
	Income	~~(136,739)~~	~~1,346~~	~~1,375~~	~~1,404~~	~~1,432~~	~~1,459~~	~~1,487~~	~~1,515~~	~~1,543~~	~~1,570~~
5.2.3 Grants (Social and Recreation)	Expense	~~5,857,854~~	~~5,423,022~~	~~5,503,692~~	~~5,504,689~~	~~5,505,596~~	~~5,506,531~~	~~5,507,519~~	~~5,508,654~~	~~5,509,452~~	~~5,510,375~~
5.2.4 Housing	Expense	~~39,311,264~~	~~44,710,702~~	~~49,362,726~~	~~50,515,193~~	~~52,403,632~~	~~56,234,376~~	~~58,733,562~~	~~60,760,844~~	~~63,835,942~~	~~66,986,679~~
	Income	~~(19,821,578)~~	~~(20,218,010)~~	~~(20,662,806)~~	~~(21,117,388)~~	~~(21,560,853)~~	~~(21,992,070)~~	~~(22,409,919)~~	~~(22,835,707)~~	~~(23,269,586)~~	~~(23,688,438)~~
5.2.5 Community centres and halls	Expense	~~7,207,083~~	~~7,841,635~~	~~8,103,308~~	~~9,599,215~~	~~9,949,488~~	~~10,328,762~~	~~10,171,524~~	~~10,793,255~~	~~11,274,914~~	~~12,436,857~~
	Income	~~(317,689)~~	~~(324,042)~~	~~(331,171)~~	~~(338,457)~~	~~(345,565)~~	~~(352,476)~~	~~(359,173)~~	~~(365,997)~~	~~(372,951)~~	~~(379,664)~~
5.2.6 Cemeteries	Expense	~~2,437,249~~	~~2,578,111~~	~~2,681,110~~	~~2,829,487~~	~~2,997,194~~	~~3,108,491~~	~~3,225,877~~	~~3,348,882~~	~~3,391,687~~	~~3,493,338~~
	Income	~~(1,151,381)~~	~~(1,185,793)~~	~~(1,211,881)~~	~~(1,238,542)~~	~~(1,264,551)~~	~~(1,289,842)~~	~~(1,314,349)~~	~~(1,339,322)~~	~~(1,364,769)~~	~~(1,389,335)~~
5.2.7 Public toilets	Expense	~~5,593,831~~	~~6,065,919~~	~~6,281,803~~	~~6,468,950~~	~~6,730,820~~	~~7,034,953~~	~~7,340,413~~	~~7,665,262~~	~~7,896,022~~	~~8,145,102~~
5.2.8 City safety	Expense	~~3,665,286~~	~~3,933,062~~	~~3,981,411~~	~~4,127,917~~	~~4,260,500~~	~~4,319,143~~	~~4,363,277~~	~~4,645,143~~	~~4,757,578~~	~~4,907,737~~
	Income	~~(234,000)~~	~~(238,914)~~	~~(244,170)~~	~~(249,298)~~	~~(254,284)~~	~~(259,115)~~	~~(264,038)~~	~~(269,055)~~	~~(273,898)~~	~~(278,828)~~
5.2.9 WREMO	Expense	~~3,614,229~~	~~3,732,386~~	~~3,833,027~~	~~3,980,876~~	~~4,100,530~~	~~4,177,030~~	~~4,313,474~~	~~4,462,502~~	~~4,568,681~~	~~4,695,638~~
	Income	~~(200,000)~~	~~(204,200)~~	~~(208,692)~~	~~(213,075)~~	~~(217,336)~~	~~(221,466)~~	~~(225,674)~~	~~(229,961)~~	~~(234,101)~~	~~(238,315)~~
Total		**~~86,221,648~~**	**~~99,551,723~~**	**~~105,250,038~~**	**~~111,064,362~~**	**~~114,954,365~~**	**~~119,462,806~~**	**~~123,212,414~~**	**~~126,306,904~~**	**~~130,763,262~~**	**~~136,903,906~~**

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
5.2.1 Libraries	~~6,767,433~~	~~6,418,461~~	~~3,270,705~~	~~3,221,694~~	~~4,030,992~~	~~3,707,445~~	~~3,581,356~~	~~17,483,161~~	~~15,041,540~~	~~3,742,314~~
5.2.4 Housing	~~48,872,724~~	~~50,929,609~~	~~61,388,214~~	~~89,485,808~~	~~81,560,285~~	~~79,522,732~~	~~75,943,491~~	~~53,624,869~~	~~27,486,373~~	~~24,060,274~~
5.2.5 Community centres and halls	~~4,440,141~~	~~548,730~~	~~337,441~~	~~4,289,605~~	~~4,248,942~~	~~4,182,139~~	~~25,883,174~~	~~25,990,161~~	~~25,994,340~~	~~25,825,281~~
5.2.6 Cemeteries	~~338,930~~	~~1,018,694~~	~~2,412,891~~	~~2,441,494~~	~~1,236,365~~	~~684,623~~	~~522,058~~	~~448,563~~	~~632,098~~	~~363,056~~
5.2.7 Public toilets	~~1,418,371~~	~~642,890~~	~~2,067,162~~	~~1,882,295~~	~~2,329,889~~	~~1,242,630~~	~~801,883~~	~~807,365~~	~~1,266,488~~	~~867,913~~
5.2.8 City safety	~~2,244,826~~	~~121,794~~	~~124,474~~	~~127,212~~	~~129,883~~	~~132,481~~	~~134,998~~	~~144,510~~	~~147,255~~	~~149,906~~
5.2.9 WREMO	~~86,157~~	~~87,881~~	~~89,814~~	~~91,790~~	~~93,718~~	~~95,592~~	~~97,408~~	~~104,023~~	~~106,000~~	~~107,908~~
Total	~~64,168,582~~	~~59,768,059~~	~~69,690,700~~	~~101,539,898~~	~~93,630,073~~	~~89,567,642~~	~~106,964,368~~	~~98,602,652~~	~~70,674,095~~	~~55,116,651~~

Funding impact statement ($000s)

5.2 Community Participation and Support	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~53,678~~	~~63,340~~	~~64,535~~	~~67,980~~	~~69,925~~	~~71,126~~	~~72,603~~	~~73,293~~	~~74,512~~	~~76,607~~
Targeted rates (other than a targeted rate for water supply)	~~11,286~~	~~12,271~~	~~12,519~~	~~14,152~~	~~14,652~~	~~14,559~~	~~14,558~~	~~15,361~~	~~15,957~~	~~17,270~~
Subsidies and grants for operating purposes	~~161~~	~~23~~	~~24~~	~~24~~	~~25~~	~~25~~	~~26~~	~~26~~	~~27~~	~~27~~
Fees and charges	~~22,036~~	~~22,392~~	~~22,885~~	~~23,388~~	~~23,879~~	~~24,356~~	~~24,819~~	~~25,290~~	~~25,770~~	~~26,233~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~52~~	~~53~~	~~54~~	~~55~~	~~56~~	~~58~~	~~59~~	~~60~~	~~61~~	~~62~~
Total operating funding (A)	**~~87,212~~**	**~~98,080~~**	**~~100,016~~**	**~~105,599~~**	**~~108,536~~**	**~~110,124~~**	**~~112,064~~**	**~~114,030~~**	**~~116,326~~**	**~~120,200~~**
Applications of operating funding										
Payments to staff and suppliers	~~49,458~~	~~54,247~~	~~51,279~~	~~53,340~~	~~54,867~~	~~55,797~~	~~56,676~~	~~58,252~~	~~59,844~~	~~61,321~~

5.2 Community Participation and Support	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Finance costs	~~3,237~~	~~5,199~~	~~7,582~~	~~10,129~~	~~12,366~~	~~13,659~~	~~13,965~~	~~14,127~~	~~13,900~~	~~13,581~~
Other operating funding applications	~~11,590~~	~~12,654~~	~~12,734~~	~~8,734~~	~~5,734~~	~~5,734~~	~~5,734~~	~~5,734~~	~~5,734~~	~~5,735~~
Internal charges	~~20,936~~	~~24,617~~	~~28,067~~	~~30,784~~	~~31,955~~	~~32,512~~	~~33,575~~	~~33,948~~	~~35,131~~	~~37,138~~
Total applications of operating funding (B)	**~~85,221~~**	**~~96,717~~**	**~~99,662~~**	**~~102,988~~**	**~~104,923~~**	**~~107,703~~**	**~~109,951~~**	**~~112,061~~**	**~~114,610~~**	**~~117,775~~**
Surplus (deficit) of operating funding (A-B)	**~~1,991~~**	**~~1,364~~**	**~~354~~**	**~~2,611~~**	**~~3,614~~**	**~~2,422~~**	**~~2,113~~**	**~~1,968~~**	**~~1,716~~**	**~~2,426~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Development and financial contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in debt	~~62,178~~	~~58,405~~	~~69,337~~	~~98,929~~	~~90,016~~	~~87,146~~	~~104,851~~	~~96,634~~	~~68,958~~	~~52,691~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~62,178~~**	**~~58,405~~**	**~~69,337~~**	**~~98,929~~**	**~~90,016~~**	**~~87,146~~**	**~~104,851~~**	**~~96,634~~**	**~~68,958~~**	**~~52,691~~**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~671~~	~~701~~	~~2,292~~	~~2,215~~	~~767~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
- to improve level of service	~~2,710~~	~~379~~	~~86~~	~~3,844~~	~~3,852~~	~~3,860~~	~~25,491~~	~~39,142~~	~~36,623~~	~~25,503~~
- to replace existing assets	~~60,788~~	~~58,689~~	~~67,312~~	~~95,481~~	~~89,011~~	~~85,708~~	~~81,474~~	~~59,461~~	~~34,052~~	~~29,613~~
Increase (decrease) in reserves	~~0~~	~~0~~	~~0~~	~~0~~	~~(0)~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~64,169~~**	**~~59,768~~**	**~~69,691~~**	**~~101,540~~**	**~~93,630~~**	**~~89,568~~**	**~~106,964~~**	**~~98,603~~**	**~~70,674~~**	**~~55,117~~**
Surplus (deficit) of capital funding (C-D)	**~~(1,991)~~**	**~~(1,364)~~**	**~~(354)~~**	**~~(2,611)~~**	**~~(3,614)~~**	**~~(2,422)~~**	**~~(2,113)~~**	**~~(1,968)~~**	**~~(1,716)~~**	**~~(2,426)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~(0)~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~23,249~~	~~25,304~~	~~28,550~~	~~31,544~~	~~33,992~~	~~36,199~~	~~38,165~~	~~39,622~~	~~42,011~~	~~45,452~~

5.3 Haumarutanga Tūmatanui

Public Health and Safety

Purpose

The health and safety of our city are crucial to enabling our city and our people to thrive. We deliver services that support the health and safety of the city's communities.

We continue to focus on processing of alcohol licenses, food safety certificates, dog registrations, gambling consents and health licenses for businesses and activities that could impact human health. We will also continue to operate animal control service and litter enforcement.

Activities

Activities in this group	Services we deliver
5.3.1 Public Health Regulations	■ Ensuring, through timely food and alcohol licencing and inspections, that Wellington's hospitality sector contributes to the health and safety of our community, including holding District Licensing Committee hearings ■ Wellington consolidated bylaw, part 2 Animals – regulation of domestic animals and inspecting kennels, catteries, doggy daycare ■ Trading and events in public places policy – issuing permits for parklets, outdoor dining, dog walking as a commercial activity ■ Respond to incidents involving hazardous substances ■ Trade waste – issuing consents ■ Litter – issuing infringements in accordance with the Litter Act ■ Health Act – responding to environmental complaints, dealing with hoarders and registering and compliance activities for hairdressers.

Rationale for Activities

- To maintain health standards. We promote and maintain health standards through public health regulations and maintenance of our own facilities, such as public toilets.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
5.3 Public Health and Safety	We do not anticipate any significant negative effects associated with the provision of these services.	N/A

Key service level changes

There are no changes to the level of service.

Statement of levels of service and performance measures

Activity – 5.3 Public health and safety

Level of service statements: Maintain environmental health and safety standards through public health regulations to protect the public

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
(%) Food businesses verified within statutory timeframes[1]	Safety	34% (YE22/23)	80%	Quarterly
(%) New alcohol licenced premises inspected from the application acceptance date to the end of the public notice period[2]	Safety	67% (Nov23-May24)	90%	Quarterly

1 Statutory timeframe is defined as: New businesses – within 6 weeks after registration is approved; Existing businesses – the date determined by the performance-based verification step from previous verification (can be between 3months and 3years)

2 Public notice period for the intention of sale and supply of alcohol under the Sale and Supply of Alcohol Act 2023 is 25 days from date of acceptance

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
5.3.1 Public Health Regulations	Expense	8,528,654	8,219,877	8,213,370	8,557,660	8,819,437	8,988,313	9,312,650	9,689,280	9,937,735	10,252,007
	Income	(5,046,812)	(5,147,891)	(5,261,145)	(5,376,741)	(5,489,500)	(5,599,134)	(5,705,517)	(5,813,922)	(5,924,222)	(6,030,858)
Total		**3,481,842**	**3,071,985**	**2,952,225**	**3,180,919**	**3,329,938**	**3,389,179**	**3,607,133**	**3,875,358**	**4,013,513**	**4,221,149**

Capital Expenditure

There is no capital expenditure for this activity.

Funding impact statement ($000s)

5.3 Public Health and Safety	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	3,702	3,292	3,172	3,401	3,550	3,609	3,827	4,096	4,185	4,393
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Fees and charges	4,940	5,039	5,150	5,263	5,373	5,481	5,585	5,691	5,799	5,903
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	107	109	112	114	116	118	121	123	125	127
Total operating funding (A)	**8,749**	**8,440**	**8,434**	**8,778**	**9,040**	**9,208**	**9,533**	**9,909**	**10,110**	**10,424**
Applications of operating funding										
Payments to staff and suppliers	5,361	5,060	5,160	5,270	5,385	5,477	5,582	5,688	5,790	5,884
Finance costs	1	1	1	2	2	2	2	2	2	2
Other operating funding applications	32	32	33	34	34	35	36	36	37	38
Internal charges	3,123	3,116	3,009	3,243	3,389	3,468	3,689	3,958	4,108	4,328
Total applications of operating funding (B)	**8,517**	**8,209**	**8,204**	**8,548**	**8,810**	**8,982**	**9,308**	**9,684**	**9,938**	**10,252**
Surplus (deficit) of operating funding (A-B)	**232**	**231**	**230**	**230**	**230**	**227**	**225**	**225**	**172**	**172**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(232)	(231)	(230)	(230)	(230)	(227)	(225)	(225)	(172)	(172)
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**(232)**	**(231)**	**(230)**	**(230)**	**(230)**	**(227)**	**(225)**	**(225)**	**(172)**	**(172)**

5.3 Public Health and Safety	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**	**(0)**
Surplus (deficit) of capital funding (C-D)	**(232)**	**(231)**	**(230)**	**(230)**	**(230)**	**(227)**	**(225)**	**(225)**	**(172)**	**(172)**
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	11	10	10	10	10	6	5	5	0	0

Changes to this document are reflected in other financial information that is included as part of the amendment of the 2024-25 Long-term Plan.

6. Tāone tupu ora

Urban Development

The mahi for urban development is focused on the way the city is developed and how it shapes the quality of life and experience for residents and visitors.

Overview

Urban Planning is key to designing the city's layout, optimising space for community needs, and accommodating growth. The 2024-34 LTP includes continued investments to shape the city for a growing population, maintaining core spatial and urban planning activities, and delivering the Te Kāinga affordable rental programme, with up to 1,000 properties for medium to lower-income earners. Significant investment is planned for public space development, notably the Golden Mile project.

To manage cost pressures, we will seek more efficient service delivery within a tight budget. This involves prioritising capital programmes to focus on existing urban development projects and postponing other public space upgrades.

We will aim to meet or exceed statutory timeframes requirement for processing consents, ensuring efficient services, and enhancing our systems to meet customer needs and minimise risks.

The proposed District Plan, Medium Density Residential Standards, and expected Resource Management system changes could impact how we approve and enforce regulations. While these changes might decrease the number of resource consents, they would likely make the approval process more complex.

The anticipated increase in earthquake-prone building notices will require the Council to be more involved, either by assisting building owners or stepping up enforcement efforts.

The key groups of activities under this strategic area are below, along with their alignment to the Council's strategic direction that is outlined in Volume 1, page 36.

Key activity groups

Activity groups	Community outcome	Strategic priority (where applicable)	Key strategies or plans
6.1 Urban Planning, heritage and public spaces development	Urban Form: A liveable and accessible compact city	■ Transform our transport system to move more people with fewer vehicles ■ Increase access to good, affordable housing to improve the wellbeing of our communities ■ Revitalise the city and suburbs to support a thriving and resilient economy and support job growth ■ Collaborate with our communities to mitigate and adapt to climate change. ■ Celebrate and make visible te ao Māori across our city	■ Spatial Plan – Our city tomorrow ■ District Plan ■ Infrastructure Strategy 2024 ■ Finance Strategy 2024
6.2 Building and Development	Urban Form: A liveable and accessible compact city	■ Increase access to good, affordable housing to improve the wellbeing of our communities	■ Enforcement and Compliance Policy ■ Spatial Plan – Our city tomorrow

- District Plan

Our Tākai Here and Te Tiriti Commitment

Our commitment underpins all urban planning, heritage, public spaces development, and regulatory and compliance activities. Our work is informed by the Tūpiki Ora Māori Strategy, including ensuring mana whenua and Māori reo, narratives, identities, histories and landmarks are increasingly present, visible in Pōneke and by legislation that requires that we work in consultation with mana whenua.

We are committed to ensuring these statutory obligations are upheld and that the spaces and places of cultural significance to Māori are considered appropriately in consenting decisions. More information on this commitment is in Volume 1 and Volume 3 in our Strategic Direction sections.

How we will embed Strategic Approaches in this activity

We are proud that this 10-year plan embeds five approaches to help guide the Council in all parts of our plan. How these approaches will be applied in this strategic area is outlined below.

Strategic Approaches are about how we will deliver our work. They are important and to be applied to everything we do.

Integrating te ao Māori	We will work together with our Tākai Here partners to address environmental and climate change challenges. We will work together with our Tākai Here partners on our strategic projects to uplift te ao Māori using language and design. Where opportunities arise, we will encourage developers to work with mana whenua to integrate te ao Māori.
Making our city accessible and inclusive for all	As we upgrade our city, we will utilise Universal Design principles to ensure our urban development plans are accessible and inclusive for all. We will consent designs that improve accessibility and inclusion. We will ensure our information on public health and safety is accessible.
Embedding climate action	We will support our infrastructure managers to renew and upgrade our public spaces and infrastructure so that it is more resilient and adapts to climate change. We will work together will developers to ensure buildings are safe and resilient from climate impacts.
Engaging our community	We will co-design place-based plans for local area improvements, climate adaptation, and urban development. We will continue to work together with developers and others to meet consenting timelines and ensure communication is accessible and timely.
Value for money	We will make future focused decisions that provide best outcomes and value for money for the long term. We will invest in systems and process that are efficient and enable better service delivery to our customers.

6.1 Whakamahere tāone, whakawhanake wāhi tuku iho, wāhi tūmatanui anō hoki

Urban Planning, heritage and public spaces development

Purpose

Wellington with its combination of compact urban form, heritage buildings, public art, capital city status and other features give the city a unique look and feel.

With a growing population there are demands placed on our urban planning, heritage and public spaces development. Our work aims to ensure this growth happens in ways that make efficient use of land and transport and doesn't compromise the qualities that make Wellington special.

Activities

Activities in this group	Services we deliver
6.1.1 Urban Planning and Policy Development	■ Carrying out urban planning and urban regeneration work to guide how the city will grow over time ■ Enabling smart, compact urban growth through a multifaceted approach of planning, design and policy. ■ Complementing compact urban growth through the provision of facilities and amenity in Wellington's streetscapes, public spaces, along its waterfront, and in its centres. ■ Reviewing the District Plan to ensure the city grows in line with our agreed plans ■ Ensuring Wellingtonians have sustainable choices to move around our city as well as an attractive and well-functioning mixed neighbourhoods to live, work and recreate in.
6.1.2 Public Spaces and Centres Development	■ Maintaining Wellingtonians' sense of place and pride by embracing the city's heritage and public spaces, including the waterfront
6.1.3 Housing Development	■ Ensuring infrastructure is in place to provide for current and future housing and business demand ■ Establishing robust plans, policies, designs and coordination to ensure infrastructure is in place to provide for current/future housing/business demands.
6.1.4 Built Heritage Development Libraries	■ Enabling the protection, restoration and enhancement of Wellington's heritage and character assets – including buildings, areas, trees, monuments, and sites of significance to tangata whenua. ■ Ensuring that planning and cultural heritage plans and actions enable ways to make the narratives of our Tākai Here partners increasingly present and recognised. ■ Conserving the city's heritage for future generations by assisting building owners to strengthen at-risk heritage buildings and storytelling of Wellington's cultural heritage in new developments.

Rationale for Activities

- To enable smart growth/urban containment. Through these activities we ensure that the city grows in a controlled way that is environmentally sustainable, enhances community cohesion and encourages high-quality developments and reduces the city's carbon footprint through reducing the need to travel long distances.
- For open public spaces. We provide spaces where people can come together, relax and enjoy the natural environment of our city.
- For character protection. We work to help protect, restore and develop the city's heritage and character assets – including buildings, trees, monuments, and sites of significance to tangata whenua. Heritage is important in telling the shared history of the city and adds to its 'sense of place'.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
6.1 Urban Planning, Heritage and Public Spaces Development	Up to 280,000 people are expected to call Wellington home by 2043. New housing development has been lagging behind population growth and demand in recent years, with an estimated shortfall of nearly 4000 houses over the last 10 years. House prices have also risen significantly in recent years. Population growth and urban development, if not well managed, can have negative effects on a city's environment and on social wellbeing. Left unchecked, growth can result in reduction of open and green spaces with consequences for recreational opportunities, amenity and even some ecosystems. Development in the wrong areas or the wrong types of development can place a strain on infrastructure and reduce people's ability to access to services and enjoy the opportunities the city offers. Poorly planned growth and poor development and construction of individual buildings can reduce the attractiveness and the 'sense of place' that people identify with, and it can have a direct impact on people's safety.	Enabling more housing supply and business development through the District Plan review is important to accommodating our growing population, while also helping to improve housing affordability. 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. The tools we use include planning, working with landowners, direct investment in the development of green and open spaces and using our regulatory powers under legislation, such as the Building Act 2004 and Resource Management Act 1991.
	Heritage: There are currently several heritage buildings in Wellington City, which require earthquake strengthening. Lack of progress by owners to strengthen their building 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. The main barrier to the strengthening process is cost. This is worsened by limited access to finance from both public and private sources.	We are aiming to avoid the negative effects on heritage buildings by providing financial incentives for heritage building owners to undertake comprehensive earthquake strengthening.

Key service level changes

Urban Planning

Our overall approach is to continue making investments that shape the city to meet the projected growing population. We will continue to deliver core statutory spatial and urban planning activities.

To deal with the cost pressures facing the Council and the community, we will need to look at how we can deliver our services more efficiently for Urban Development. This means we need to operate within the already tight budget for some of the services we provide.

This includes prioritising our capital programmes to focus urban development works within existing planned project delivery and holding off other public space upgrades for an extended period of time.

- There are significant planned investment in public space development through the Golden Mile project.
- We have budgeted for one suburban town centre upgrade every two years. This means there will be minimal other upgrades to public spaces for the ~~next 10 years~~upcoming years. This will potentially result in degradation of public amenity. As a result of the capital programme review, First planned upgrade will begin in the middle years of the current LTP.
- We will commence delivery on the Green Network Plan. This will increase green space amenity in the central city.
- We are repurposing the Environmental and Accessibility Performance Fund toward a Climate Resilience Fund.

We will establish an urban design panel to support densification and implementation of the new district plan. Statement of levels of service and performance measures

Activity – 6.1 Urban Planning, heritage and public spaces development

Level of Service Statement: Help protect, restore and develop the city's character assets and public spaces

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
Number of co-design projects complete for Te Whanganui-a-Tara streets, waterways and green spaces	Sustainability	10 (May 2024)	≥8[1]	Annual

[1] Target is less than Baseline due to constrained financial environment

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
6.1.1 Urban planning and policy development	Expense	~~6,958,047~~	~~6,781,849~~	~~5,889,642~~	~~5,870,158~~	~~6,028,898~~	~~6,073,610~~	~~6,278,935~~	~~6,518,580~~	~~6,672,824~~	~~6,874,312~~
	Income	~~(1,980,360)~~	~~(916,767)~~	~~(594,566)~~	~~(607,647)~~	~~(620,407)~~	~~(632,815)~~	~~(644,839)~~	~~(657,091)~~	~~(669,575)~~	~~(681,628)~~
6.1.2 Public spaces and centres development	Expense	~~13,210,391~~	~~6,636,091~~	~~6,684,719~~	~~7,122,231~~	~~7,637,138~~	~~7,724,031~~	~~7,666,719~~	~~7,957,611~~	~~8,199,642~~	~~8,523,989~~
6.1.3 Built heritage development	Expense	~~1,254,545~~	~~1,187,658~~	~~1,204,137~~	~~1,241,011~~	~~1,266,173~~	~~1,283,811~~	~~1,318,884~~	~~1,360,645~~	~~1,384,912~~	~~1,418,981~~
6.1.4 Housing Development	Expense	~~16,043,625~~	~~16,725,980~~	~~17,072,803~~	~~17,510,597~~	~~17,998,886~~	~~18,514,117~~	~~19,083,257~~	~~19,908,318~~	~~20,258,285~~	~~20,857,838~~
	Income	~~(13,276,586)~~	~~(14,318,959)~~	~~(14,785,103)~~	~~(15,249,950)~~	~~(15,708,546)~~	~~(16,182,895)~~	~~(16,641,986)~~	~~(17,185,427)~~	~~(17,683,728)~~	~~(18,165,992)~~
Total		**~~22,209,662~~**	**~~16,095,852~~**	**~~15,471,632~~**	**~~15,886,400~~**	**~~16,602,142~~**	**~~16,779,859~~**	**~~17,060,970~~**	**~~17,902,636~~**	**~~18,162,359~~**	**~~18,827,499~~**

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
6.1.1 Urban planning and policy development	~~1,544,024~~	~~220,000~~	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~
6.1.2 Public spaces and centres development	~~2,935,778~~	~~6,710,403~~	~~3,751,494~~	~~1,662,521~~	~~2,889,193~~	~~1,675,464~~	~~3,228,644~~	~~3,003,403~~	~~2,765,290~~	~~2,515,905~~
Total	**~~4,479,802~~**	**~~6,930,403~~**	**~~3,751,494~~**	**~~1,662,521~~**	**~~2,889,193~~**	**~~1,675,464~~**	**~~3,228,644~~**	**~~3,003,403~~**	**~~2,765,290~~**	**~~2,515,905~~**

Funding impact statement ($000s)

6.1 Urban Planning, Heritage and Public Spaces Development	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~17,863~~	~~17,742~~	~~17,118~~	~~17,533~~	~~18,249~~	~~18,426~~	~~18,707~~	~~19,549~~	~~19,809~~	~~18,827~~
Targeted rates (other than a targeted rate for water supply)	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Subsidies and grants for operating purposes	~~1,410~~	~~335~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Fees and charges	~~13,847~~	~~14,901~~	~~15,380~~	~~15,858~~	~~16,329~~	~~16,816~~	~~17,287~~	~~17,843~~	~~18,353~~	~~18,848~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total operating funding (A)	**~~33,119~~**	**~~32,978~~**	**~~32,498~~**	**~~33,390~~**	**~~34,578~~**	**~~35,242~~**	**~~35,994~~**	**~~37,392~~**	**~~38,162~~**	**~~37,675~~**
Applications of operating funding										
Payments to staff and suppliers	~~30,643~~	~~24,771~~	~~24,561~~	~~24,796~~	~~25,484~~	~~25,888~~	~~26,140~~	~~26,854~~	~~27,165~~	~~27,828~~
Finance costs	~~12~~	~~30~~	~~25~~	~~13~~	~~6~~	~~21~~	~~51~~	~~87~~	~~118~~	~~143~~
Other operating funding applications	~~500~~	~~500~~	~~500~~	~~500~~	~~500~~	~~500~~	~~500~~	~~500~~	~~500~~	~~500~~
Internal charges	~~6,250~~	~~5,937~~	~~5,508~~	~~5,837~~	~~6,108~~	~~6,221~~	~~6,592~~	~~7,102~~	~~7,321~~	~~7,707~~
Total applications of operating funding (B)	**~~37,405~~**	**~~31,238~~**	**~~30,594~~**	**~~31,146~~**	**~~32,098~~**	**~~32,630~~**	**~~33,284~~**	**~~34,542~~**	**~~35,104~~**	**~~36,178~~**
Surplus (deficit) of operating funding (A-B)	**~~(4,286)~~**	**~~1,740~~**	**~~1,904~~**	**~~2,245~~**	**~~2,479~~**	**~~2,612~~**	**~~2,711~~**	**~~2,849~~**	**~~3,058~~**	**~~1,497~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Development and financial contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in debt	~~8,766~~	~~5,190~~	~~1,847~~	~~(582)~~	~~410~~	~~(937)~~	~~518~~	~~154~~	~~(293)~~	~~1,018~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~8,766~~**	**~~5,190~~**	**~~1,847~~**	**~~(582)~~**	**~~410~~**	**~~(937)~~**	**~~518~~**	**~~154~~**	**~~(293)~~**	**~~1,018~~**

6.1 Urban Planning, Heritage and Public Spaces Development	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~3,134~~	~~4,655~~	~~2,958~~	~~1,332~~	~~2,719~~	~~1,109~~	~~2,826~~	~~576~~	~~2,348~~	~~0~~
- to improve level of service	~~1,346~~	~~2,275~~	~~793~~	~~331~~	~~170~~	~~566~~	~~402~~	~~2,427~~	~~417~~	~~2,516~~
- to replace existing assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in reserves	~~(0)~~	~~(0)~~	~~0~~	~~0~~	~~(0)~~	~~(0)~~	~~(0)~~	~~0~~	~~(0)~~	~~(0)~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~4,480~~**	**~~6,930~~**	**~~3,751~~**	**~~1,663~~**	**~~2,889~~**	**~~1,675~~**	**~~3,229~~**	**~~3,003~~**	**~~2,765~~**	**~~2,516~~**
Surplus (deficit) of capital funding (C-D)	**~~4,286~~**	**~~(1,740)~~**	**~~(1,904)~~**	**~~(2,245)~~**	**~~(2,479)~~**	**~~(2,612)~~**	**~~(2,711)~~**	**~~(2,849)~~**	**~~(3,058)~~**	**~~(1,497)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~61~~	~~94~~	~~258~~	~~598~~	~~833~~	~~966~~	~~1,064~~	~~1,203~~	~~1,412~~	~~1,497~~

6.2 Te hanga me te whanaketanga

Building and Development

Purpose

Our oversight of construction and development means we oversee the safety of buildings, preventing any potential harm to environmental quality or public health.

We also aim to establish that developments are secure, environmentally friendly, and align with public expectations.

Rationale for Activities

To protect public health and safety, we carry out building and development activities to protect public and environmental health and safety and to protect future users of land and buildings.

For resilience, ensuring buildings and developments are built to withstand natural events is a critical element of our activities in this area. We engage in earthquake risk mitigation to protect public safety, preserve the city's heritage and the economic investment made in buildings and infrastructure. We also work with communities to support them in planning for future changes to Wellington's climate.

Activities

Activities in this group	Services we deliver
6.2.1 Building Control and Facilitation 6.2.2 Development Control and Facilitation 6.2.3 Earthquake risk and Mitigation 6.2.4 Regulatory Building Control and Facilitation (weathertight homes)	■ Timeliness of consenting and compliance service ■ Sufficient and timely access to Council advice for building owners as required ■ Building consents – ensuring buildings are safe, in accordance with the Building Act 2004 ■ Resource consents – ensuring natural resources are used sustainably, in line with the Resource Management Act 1991 ■ Assessing earthquake-prone buildings and delivering on the resilience programme.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
6.2 Building and Development	Development and construction, if not well managed, can have negative effects on a city's environment and on social wellbeing, and on the safety of individuals. Development in the wrong areas or the wrong types of development can place a 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.	The activities in this group exist to mitigate and manage risks from development, construction, weather-tight building problems and earthquakes. Our earthquake-prone building assessment programme is focused on ensuring these buildings are strengthened to the required standards.

Key service level changes

Heritage

We aim to achieve minor cost savings through reducing the community advisory and heritage support services. This budget will reduce by $210,000 per year, which has the impact of refocusing heritage advisory services exclusively on resource consenting and the administration of the Heritage Resilience and Regeneration Fund.

Building and Development

We will aim to meet or exceed statutory timeframes for processing consents, ensuring efficient services, and enhancing our systems to meet customer needs and minimise risks.

The recently adopted District Plan, Medium Density Residential Standards, and expected changes to the Resource Management system could impact how we approve and enforce regulations. While these changes might decrease the number of resource consents, they would likely make the approval process more complex. The anticipated increase in earthquake-prone building notices will require the Council to be more involved, either by assisting building owners or stepping up enforcement efforts.

What it will cost

Statement of levels of service and performance measures

Activity – 6.2 Building and Development

Level of service statement: Provide building and development control and facilitation services to protect future users of land and buildings

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
(%) Building consents granted within statutory timeframes[1]:- (a) Those not requiring structural engineering review (b) Those requiring structural engineering review	Reliability	60% (YE22/23) based on all building consent types.	a. 90% b. 70%	Quarterly
Customers (%) who rate building control service as good or very good	Client Satisfaction	62% (YE22/23)	80%	Quarterly
(%) Resource consents (non-notified) issued within statutory timeframes[1]:- (a) Those not requiring external referral input (x%) (b) Those requiring external referral input (xx%	Reliability	a. 89% (Oct23) b. 84% (Oct23)	a. 98% b. 70%	Quarterly
(%) Resource consents that are monitored within 3 months of project commencement	Reliability	98% (YE22/23)	90%	Quarterly
Customers (%) who rate resource consent service as good or very good	Client Satisfaction	83% (YE22/23)	80%	Quarterly
(%) Resource consents (non-notified) for multi-unit housing issued within statutory timeframes[1]	Reliability	97% (YE22/23)	85%	Quarterly
(%) Land Information Memorandums (LIMs) issued within statutory timeframes[2]	Reliability	100% (YE22/23)	98%	Quarterly
Building Consent Authority (BCA) accreditation retention[3]	Quality	Retained (July23)	Retained	Annual

[1] Statutory timeframe is 20 working days

[2] Statutory timeframe is 10 working days

[3] The Building Consent Authority accreditation retention process is biennial

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
6.2.1 Building Control and Facilitation	Expense	22,895,830	24,050,319	24,071,329	25,110,431	25,861,661	26,441,550	27,423,401	28,579,231	29,294,597	30,255,279
	Income	(16,181,032)	(16,520,322)	(16,883,769)	(17,238,862)	(17,584,185)	(17,918,841)	(18,259,299)	(18,606,226)	(18,941,728)	(19,282,679)
6.2.2 Development Control and Facilitation	Expense	9,222,965	9,491,187	9,501,479	9,902,675	10,196,849	10,443,549	10,836,240	11,300,624	11,584,866	11,971,008
	Income	(5,748,616)	(5,863,594)	(5,992,593)	(6,124,424)	(6,253,031)	(6,378,086)	(6,499,269)	(6,622,755)	(6,748,581)	(6,870,056)
6.2.3 Earthquake risk mitigation – built environment	Expense	4,810,230	1,616,602	1,622,224	1,685,190	1,734,288	1,777,460	1,841,996	1,918,424	1,967,577	2,030,879
	Income	(3,214)	(3,281)	(3,353)	(3,424)	(3,492)	(3,559)	(3,626)	(3,695)	(3,762)	(3,829)
Total		**14,996,163**	**12,770,912**	**12,315,318**	**13,331,586**	**13,952,090**	**14,362,073**	**15,339,442**	**16,565,602**	**17,152,968**	**18,100,602**

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
6.2.3 Earthquake risk mitigation – built environment	57,851,686	69,900,179	24,887,981	5,000,000	0	0	0	0	0	0
Total	**57,851,686**	**69,900,179**	**24,887,981**	**5,000,000**	**0**	**0**	**0**	**0**	**0**	**0**

Funding impact statement ($000s)

6.2 Building and Development	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	12,700	13,775	13,319	14,335	14,956	15,366	16,343	17,569	17,857	18,804
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Fees and charges	21,927	22,381	22,874	23,361	23,835	24,294	24,756	25,226	25,688	26,150
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	6	6	6	6	6	6	6	6	7	7
Total operating funding (A)	**34,633**	**36,162**	**36,199**	**37,702**	**38,797**	**39,666**	**41,105**	**42,802**	**43,551**	**44,961**
Applications of operating funding										
Payments to staff and suppliers	23,222	21,013	21,462	21,918	22,358	22,784	23,217	23,658	24,086	24,504
Finance costs	8	9	9	10	10	11	12	14	14	15
Other operating funding applications	12	12	12	13	13	13	13	14	14	14
Internal charges	13,606	14,042	13,631	14,678	15,332	15,785	16,802	18,066	18,731	19,724
Total applications of operating funding (B)	**36,847**	**35,076**	**35,115**	**36,619**	**37,713**	**38,593**	**40,045**	**41,752**	**42,845**	**44,257**
Surplus (deficit) of operating funding (A-B)	**(2,214)**	**1,086**	**1,083**	**1,083**	**1,083**	**1,073**	**1,060**	**1,050**	**706**	**704**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	60,066	68,815	23,805	3,917	(1,083)	(1,073)	(1,060)	(1,050)	(706)	(704)

6.2 Building and Development	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**60,066**	**68,815**	**23,805**	**3,917**	**(1,083)**	**(1,073)**	**(1,060)**	**(1,050)**	**(706)**	**(704)**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	0	0	0	0	0	0	0	0	0	0
- to improve level of service	57,800	69,900	24,888	5,000	0	0	0	0	0	0
- to replace existing assets	52	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	0	0	(0)	(0)	(0)	0	0	(0)	0	(0)
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	**57,852**	**69,900**	**24,888**	**5,000**	**(0)**	**0**	**0**	**(0)**	**0**	**(0)**
Surplus (deficit) of capital funding (C-D)	**2,214**	**(1,086)**	**(1,083)**	**(1,083)**	**(1,083)**	**(1,073)**	**(1,060)**	**(1,050)**	**(706)**	**(704)**
Funding balance ((A-B) + (C-D))	**0**	**(0)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Expenses for this activity grouping include the following depreciation/amortisation charge	82	82	80	80	80	69	56	46	2	0

Changes to this document are reflected in other financial information that is included as part of the amendment of the 2024-25 Long-term Plan.

7. Tūnuku

Transport

The mahi for urban development is focused on the way the city is developed and how it shapes the quality of life and experience for residents and visitors.

Overview

The city's target is to reduce 2020 emissions by 57% by 2030, which reflects both the speed at which we need to act, and the bigger opportunity for decreasing emissions because we are a developed country. The city's emissions have fallen by 10% since 2020, and cycling has increased by 9% in the past year.

Our overall approach to transport investment is to continue changing the transport network to support reducing emissions and making it easier to get around. This includes continued delivery of the city wide Paneke Pōneke bike network and increasing investment in improving the resilience of the network through retaining wall and structure strengthening. Investment on the Golden Mile and City streets projects will improve connections for people on buses, bikes or walking in the Central City and on key routes between the central city and suburban centres. The parking policy provides a framework to guide future decision-making on the management of all Council-controlled parking spaces. This includes off-street parking and on-street parking, both free-of-charge (unrestricted) and those which incur a user-charge. Off-street parking includes parking areas at any of the Council's parks, sports, recreation and other community activities; and any off-street parking buildings that the Council controls.

The policy sets out objectives, high level principles, a parking space hierarchy (that prioritises the types of parking in different areas), area-based parking management guidance (that prioritises how we manage supply and demand). It also provides a new approach to setting parking fees and developing area-based parking management plans.

The key groups of activities under this strategic area are below, along with their alignment to the Council's strategic direction that is outlined in Volume 1, page 36.

Our Tākai Here and Te Tiriti Commitment

Our commitment underpins all transport activities. The Tūpiki Ora Māori Strategy outlines priorities including that whānau, tamariki, māmā and pēpī, tangata whaikaha people and kaumātua can move around the city and access the services and spaces they need in Wellington. More information on this commitment is in Volume 1 and Volume 3 in our Strategic Direction sections.

Key activity groups

Activity groups	Community outcome	Strategic priority (where applicable)	Key strategies or plans
7.1 Transport network	Urban Form: A liveable and accessible compact city	■ Transform our transport system to move more people with fewer vehicles ■ Celebrate and make visible te Ao Māori across our city ■ Revitalise the city and suburbs to support a thriving and resilient economy and support job growth	■ Pāneke Pōneke Bike Network Plan ■ Te Atakura | First to Zero – Zero Carbon Strategy ■ Spatial Plan – Our city tomorrow ■ District Plan ■ Infrastructure Strategy 2024 ■ Finance Strategy 2024
7.2 Parking	Urban Form: A liveable and accessible compact city	■ Transform our transport system to move more people with fewer vehicles	■ Parking Policy

How we will embed Strategic Approaches in this activity

We are proud that this 10-year plan embeds five approaches to help guide the Council in all parts of our plan. How these approaches will be applied in this strategic area is outlined below.

Strategic Approaches are about how we will deliver our work. They are important and to be applied to everything we do.

Integrating te ao Māori	Making te ao Māori visible through urban design and new infrastructure. We will work together with our Tākai Here partners on our strategic projects to uplift te ao Māori using language and design.
Making our city accessible and inclusive for all	As we maintain, renew, and upgrade our transport infrastructure, we will make improvements for accessibility. This includes ensuring temporary traffic management is appropriately designed for accessible access.
Embedding climate action	We adopted the Sustainable Transport Hierarchy, which places walking, cycling and public transport as the top of the transport hierarchy for the city as is a significant contributor to achieving zero carbon targets as set in Te Atakura. To implement this, the city's transport programmes and projects focus on enabling active and public transport solutions through investment in new infrastructure and our rolling maintenance and renewals programmes.
Engaging our community	We will work closely with residents and businesses in designing and delivering changes to the transport network. We will continue to deliver road safety and active travel education programmes.
Value for money	We will make future focused decisions that provide best outcomes and value for money for the long term. We will invest in systems and process that are efficient and enable better service delivery to our customers.

7.1 Whatunga tūnuku

Transport Network

Purpose

This activity aims to create a more liveable city by enhancing accessibility and easing commuting needs with an effective transport network for the community.

An efficient network that gives our people choices about how to get where they need to go is critical to the city's economy and quality of life. Transport plays a big role in how we live, work and play. We aim to safely and efficiently move more people with fewer vehicles. The network includes vehicle lanes, footpaths and cycleways, and we maintain structures such as tunnels and seawalls, to keep the network safe.

The Council adopted the Sustainable Transport Hierarchy, which places walking, cycling and public transport at the top of the transport hierarchy for the city. To implement this and reduce our carbon emissions, the city's transport programmes and projects focus on system change to enable active and public transport solutions through investment in new infrastructure and our rolling maintenance and renewals programmes.

Activities

Activities in this group	Services we deliver
7.1.1 Transport Planning	■ Planning, delivering, maintaining and operating our transport system
7.1.2 Vehicle Network	■ Operating and maintaining our existing transport network, which is made up of 970km of footpaths and access ways, 40km of bike lanes, 8km bus priority lanes, 700km of roads, and 2km of bridges and tunnels, and which enables Wellingtonians, workers from the wider region and visitors to move around the city every day ■ Network supports keeping the residents of the city moving (peak travel times are acceptable). ■ Supporting Wellington Cable Car Limited – a CCO that owns, operates and maintains the Cable Car and associated track, plant, tunnels, bridges and buildings
7.1.3 Cycle Network 7.1.5 Pedestrian Network	■ Enhancing the attractiveness of walking or cycling around the city, through urban design, new infrastructure and promotion of active transport. ■ A city-wide network of connected cycleways, connecting suburbs with the CBD and key destinations □ 166km of cycleway connections □ 155,000 of us living within a 5-minute ride of the network.
7.1.4 Passenger Transport Network	■ Supporting the city's public transport network by providing space for the network to run efficiently and encouraging people to use it. ■ Shelters provided for bus and rail passengers on all incoming stops and at selected outgoing stops
7.1.6 Network-wide Control and Management	■ Appropriate range and coverage of signals and signs to support network
7.1.7 Road Safety	■ Ensuring our transport network is safe for all users by making ongoing improvements and educating and promoting safe behaviours.
7.1.8 Major City Upgrades	■ Designing, planning and constructing people-friendly central city and arterial spaces that improve traffic flows by encouraging alternative transport options while highlighting our rich cultural history and bringing renewed vibrancy to our city.
7.1.9 Roads Open Spaces	■ We look after the city's roadside plants, remove and prune hazardous or overgrown vegetation, spray weeds and supply free plants to residents to plant on road reserves. ■ We also clean city and residential streets, empty rubbish bins in the central city and remove spills and litter.

Rationale for Activities

- We aim to provide a transport network that provides people with accessible, safe and reliable transport choices.
- To increase mode share and reduce emissions. We strive to encourage and enable greater use of active modes and passenger transport – increasing the efficiency of the network and reducing the impact of emissions from the transport system.
- For road safety. Delivering a safe road network is a fundamental goal of our transport strategy. We provide and maintain safety assets as well as leading road education and promotion activities

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
7.1 Transport Network	With any transport network there are potential negative effects: ■ Environmental effects. These range from carbon emissions to air and noise pollution to surface water run-off from roads that may carry contaminants into the stormwater system. These impacts are directly linked to the number of vehicles on the road and to the availability of options others than using the private car, such as public transport, walking and cycling. ■ Construction effects. Individual projects, such as the construction of a new road, can affect public transport and general traffic flows, neighbouring properties (noise, dust) and nearby businesses (access to car parking and premises). ■ Development effects. The timing of transport investment can affect growth opportunities, such as new residential development. ■ Safety. The transport network brings pedestrians, cyclists and vehicles together, which presents hazards to users.	We mitigate the environmental effects of transport by ensuring walking, cycling and public transport are appropriately catered for so that our residents and visitors have choices other than the private car. We monitor the effects of stormwater run-off on aquatic environments. We communicate with businesses and affected communities to minimise disturbances due to roadworks. Through our land use planning, we make sure more people can live close to services and places of employment reducing their need to travel. We also work with developers to coordinate investment in streets with new residential and other developments, particularly in growth areas. We have developed road safety programmes and design solutions to reduce the likelihood and severity of accidents.

Key service level changes

The overall approach includes significant continued investment in changing Wellington's transport network, which remains a focus over the next ten years. This includes continued delivery of the city wide Paneke Pōneke bike network and increasing investment in improving the resilience of the network through retaining wall and structure strengthening. However, due to the capital programme review and the reduction of the National Land Transport Programme funding, there are number of changes to a number of transport programme and projects.

Walking, cycling and public transport

We are continuing to advance the Pāneke Pōneke Bike Network programme at pace, creating a complete network at a reduced cost, by minimising the 2021 envisioned civil works for long-term street transformations and building on the transitional approach. Due to the capital programme review, we have made changes to the programme. The cycling network programme will now be completed over 20 years. The primary network will be finished within the first 10 years, including ongoing projects like Evans Bay and Brooklyn to City, as well as the remaining 17.6 km. Work on the secondary network will follow in the later years, aligned with adjusted priorities and funding.

This means delivery of the network will still be achieve in the next 10 years, but with lower levels of grade separation of bike and vehicle lanes.

There will be:

- higher quality materials used and less use of temporary and changeable solutions
- reduction in significant road width changes to allow for introduction of bike lanes
- more permanent removal of on-street parking to provide space dedicated for active and public transport modes
- increased pedestrian and bus improvements implemented together with bike lanes.

The Hutt Rd portion of the Thorndon Quay / Hutt Rd project will not be funded, leaving the levels of service for Hutt Rd the same as now. The Golden Mile and City streets projects will improve connections for people on buses, bikes or walking in the Central City and on key routes between the central city and suburban centres.

The People-friendly city streets programme is being scaled back to focus on the highest priority projects, such as a second bus priority route through the central city and improvements to the routes between the CBD and Miramar for biking, walking and bus priority.

A combined bus priority improvements programme will be developed to guide the prioritisation of individual projects beyond year 5. Priority includes:

- Secondary bus corridor (bus spine on the Quays)
- Cross-city cycle connection (connect Thorndon Quay to Cambridge Terrace)
- Cuba St pedestrianisation infrastructure and activations (significant improvements beyond proposed footpath widening)
- Dixon St upgrade (required as part of the Golden Mile design)

Roads and Structures

The Hutt Rd portion of the Thorndon Quay / Hutt Rd project will not be funded, leaving the levels of service for Hutt Rd the same as now.

We will also defer road surface renewals and do more with chipseal rather than asphalt. The amenity and road condition will deteriorate over time.

We will increase upgrades of retaining walls to increase network resilience.

Kiwi Point Quarry

We will extend the life of Kiwi Point Quarry by opening the south face.

Changes to the programme and project

The following programmes have been rephased to the outer years of LTP:

- Drainage upgrades
- Tunnel upgrades

The following programmes have been either rescoped or reduced:

- Retaining wall upgrade
- Minor work upgrades
- Bridge improvements
- Retaining wall resilience upgrades
- Rural road upgrades
- LED street light transition
- Bus priority improvements
- Footpath structures upgrade
- Safer routes to schools.

Other changes:

- Removing all funding for Build Back Better
- The budget for the Speed Management Upgrades is being increased to meet new legal requirements, with the work planned over the first two years and no additional budget needed after that.
- The Harbour Quays Corridor upgrades will focus on interim bus priority changes in Years 1–3. The Eastern Corridor upgrades will target public transport only, removing bike and pedestrian

improvements. Central City upgrades will include the cross-city cycleway, align Dixon Street with the Golden Mile upgrade, and delay Cuba Street improvements to Year 6.

National Land Transport Plan funding

With the reduction in funding from the National Land Transport Plan (NLTP), a number of programmes and projects has changed.

The following projects will continue to receive funding:

- Chaytor Street wall strengthening project
- Grosvenor Terrace wall strengthening
- Bike Network projects already underway
- Golden Mile upgrades
- Thorndon Quay upgrades

The following projects will not receive funding:

- Central City Corridors Improvements – Harbour Quays and Eastern corridor connections joint bus priority projects 50/50 funded together with GWRC.
- New road – Mark Ave to Grenada North
- Resilience Improvements – Aotea Quay Overbridge investigation and Kelburn Viaduct seismic strengthening with investigation and design between year 1 to 3
- Bike Network Programme – Evans Bay Stage 2, Brooklyn and the next tranche of the programme - approximately 20 km of the strategic network to be delivered by end of year 3

Statement of levels of service and performance measures

Activity – 7.1 Transport Network

Level of service statements: Deliver a safe road network, and provide accessible, safe and reliable transport choices

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
(%) Customer service requests relating to roads and footpaths that are responded to within timeframe. (urgent within 2 hours and non-urgent within 15 days)	Responsiveness	89% (YE22/23)	93%	Quarterly
% Ride quality as measured by smooth travel exposure (STE) - all roads*[1]	Quality	69% (YE22/23)	70%	Annual
Footpaths (%) in average condition or better (measured against WCC condition standards)*[2]	Quality	94% (YE22/23)	96%	Annual
Sealed local road network (%) that is resurfaced*	Quality	7.8% (YE22/23)	7.20%	Annual
Residents' satisfaction with the condition of roads: a. The central city b. In their local suburb	Client Satisfaction	a. 48% (2023 Transport survey)[4] b. 47% (2023 Transport survey) [4]	a. 51% b. 50%	Annual
Residents' satisfaction with walking on footpaths: a. In the central city b. In their local suburb	Client Satisfaction	a. 72% (2023 Transport survey) [4] b. 73% (2023 Transport survey) [4]	a. 75% b. 75%	Annual
Residents' satisfaction with cycling: a. On bike lanes in the central city b. On streets without bike lanes in the central city c. On cycling facilities in local suburbs	Client Satisfaction	a. 23% (2023 Transport survey) [4] b. 14% (2023 Transport survey) [4] c. 37% (2023 Transport survey) [4]	a. 25% b. 15% c. 38%	Annual
Kilometres of cyclepaths and lanes in the city (increasing)	Sustainability	40Km (22/23FinYr)	Increasing >40km (22/23 result)	Annual
Residents' satisfaction with street lighting: a. In the central city b. In their local suburb	Client Satisfaction	a. 64% (2023 Transport survey) [4] b. 52% (2023 Transport survey) [4]	a. 65% b. 53%	Annual
Number of critical transport structures with highest risk status[5]: a. Road Tunnel b. Road Bridge c. Sea Wall d. Retaining Wall e. Rockfall Protection	Reliability	a. 0 extreme risk; 3 high risk b. 3 extreme risk; 13 high risk c. 0 extreme risk; 72 high risk d. 0 extreme risk; 303 high risk e. 0 extreme risk; 34 high risk (May24)	a. 0 extreme risk; 3 high risk b. 2 extreme risk; 13 high risk c. 0 extreme risk; 60 high risk d. 0 extreme risk; 292 high risk e. 0 extreme risk; 34 high risk	Annual

Key Performance Indicator	Service dimension	Baseline	Target	Reporting frequency
Cable Car Company Ltd - achievement of Statement of Intent Note: 2024/25 SOI comprises of four KPIs with the following targets: Total Passengers: 980,000 Cable Car Reliability: >99.0% Fare income: $3.609m Customer Satisfaction[6]: Customer satisfaction survey: 4.2 NPS or higher Trip Advisor Rating: 4.2 NPS or higher	Other	Achieved (5/5 KPIs YE 22/23)	Achieved	Quarterly and Annual

* This KPI is mandatory as directed by the New Zealand Transport Agency/Waka Kotahi

[1] Smooth Travel Exposure is a customer outcome measure indicating 'ride quality'. It is an indication of the percentage of vehicle kilometres travelled on a road network with roughness below a defined upper threshold level. The threshold varies depending on the traffic volume band and urban/rural environment of the road

[2] Average condition or better is defined as 17 or below on a total condition rating score from Wellington City Councils visual condition rating system

[3] Local road network is defined as those public roads maintained by Wellington City Council

[4] The draft baseline data is derived from data collected between April-November 2023. The survey will analyse data on a rolling 3-year average and the final baseline will be available once the first of the 3-year average data is available

[5] A transport structure is deemed critical when it scores 4 or 5 on a 1-5 criticality scale. Highest risk includes both extreme and high-risk categories. Most critical structures are in good condition or better and expected to stay so during the next 3-years unless there is an extraordinary event such as a very large earthquake or storm. Critical structures should be no worse that high risk during their lifecycle.

[6] Maintain Net Promoter Score (NPS) equal to or better than CXI Benchmark

What it will cost

Operating Expenditure

Activity Component Name	Income/ Expense	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
7.1.1 Transport Planning	Expense	~~1,567,357~~	~~1,416,989~~	~~1,453,424~~	~~1,524,041~~	~~1,571,778~~	~~1,600,864~~	~~1,666,021~~	~~1,740,959~~	~~1,791,130~~	~~1,857,184~~
	Income	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~	~~-~~
7.1.2 Vehicle network	Expense	~~62,329,966~~	~~73,383,404~~	~~84,783,505~~	~~96,062,495~~	~~109,460,760~~	~~122,858,457~~	~~136,282,972~~	~~138,118,755~~	~~142,048,303~~	~~152,119,153~~
	Income	~~(3,749,376)~~	~~(3,932,087)~~	~~(4,022,075)~~	~~(4,114,143)~~	~~(4,203,713)~~	~~(4,291,290)~~	~~(4,358,140)~~	~~(4,444,279)~~	~~(4,532,043)~~	~~(4,618,152)~~
7.1.3 Cycle network	Expense	~~7,128,639~~	~~8,591,408~~	~~9,346,368~~	~~10,459,245~~	~~11,147,761~~	~~11,712,784~~	~~12,549,987~~	~~13,540,186~~	~~14,565,559~~	~~16,096,828~~
	Income	~~(1,777,162)~~	~~(1,821,223)~~	~~(1,871,626)~~	~~(1,945,160)~~	~~(1,996,855)~~	~~(2,047,878)~~	~~(2,135,190)~~	~~(2,225,175)~~	~~(2,317,905)~~	~~(2,411,089)~~
7.1.4 Passenger transport network	Expense	~~3,412,521~~	~~3,244,813~~	~~2,777,528~~	~~5,570,198~~	~~5,127,011~~	~~2,773,780~~	~~2,881,945~~	~~3,033,844~~	~~3,134,694~~	~~3,232,190~~
	Income	~~(1,670,310)~~	~~(1,705,386)~~	~~(1,742,905)~~	~~(1,781,249)~~	~~(1,818,655)~~	~~(1,855,028)~~	~~(1,892,129)~~	~~(1,928,079)~~	~~(1,964,713)~~	~~(2,002,042)~~
7.1.5 Pedestrian network	Expense	~~15,512,513~~	~~16,147,488~~	~~17,281,167~~	~~17,945,000~~	~~18,807,601~~	~~20,133,908~~	~~21,556,281~~	~~23,179,504~~	~~24,042,312~~	~~24,826,004~~
	Income	~~(857,358)~~	~~(859,086)~~	~~(878,845)~~	~~(899,059)~~	~~(918,837)~~	~~(938,133)~~	~~(956,895)~~	~~(976,033)~~	~~(995,554)~~	~~(1,014,469)~~
7.1.6 Network-wide control and management	Expense	~~14,945,253~~	~~15,589,907~~	~~14,108,841~~	~~13,733,256~~	~~14,189,484~~	~~14,840,273~~	~~15,536,907~~	~~15,873,052~~	~~15,579,460~~	~~16,185,060~~
	Income	~~(3,885,228)~~	~~(4,038,553)~~	~~(4,129,299)~~	~~(4,222,126)~~	~~(4,312,818)~~	~~(4,401,146)~~	~~(4,487,402)~~	~~(4,574,821)~~	~~(4,663,943)~~	~~(4,750,689)~~
7.1.7 Road safety	Expense	~~9,130,781~~	~~9,827,277~~	~~10,308,095~~	~~10,818,681~~	~~11,328,162~~	~~11,882,176~~	~~12,488,944~~	~~13,184,193~~	~~13,758,043~~	~~14,219,487~~
	Income	~~(2,445,334)~~	~~(2,590,259)~~	~~(2,649,363)~~	~~(2,709,817)~~	~~(2,768,939)~~	~~(2,826,584)~~	~~(2,883,116)~~	~~(2,940,255)~~	~~(2,998,526)~~	~~(3,055,498)~~
7.1.8 Lets Get Wellington Moving	Expense	~~8,352,241~~	~~2,128,471~~	~~2,658,325~~	~~1,604,513~~	~~849,608~~	~~605,564~~	~~619,761~~	~~635,614~~	~~647,468~~	~~660,913~~
7.1.9 Roads open spaces	Expense	~~11,024,930~~	~~11,812,074~~	~~12,080,861~~	~~12,416,408~~	~~12,730,736~~	~~13,056,339~~	~~13,385,486~~	~~13,749,791~~	~~14,033,925~~	~~14,345,529~~
	Income	~~(1,397,466)~~	~~(1,499,663)~~	~~(1,538,582)~~	~~(1,577,378)~~	~~(1,615,579)~~	~~(1,651,896)~~	~~(1,688,602)~~	~~(1,724,876)~~	~~(1,760,651)~~	~~(1,796,714)~~
Total		~~117,621,967~~	~~125,695,573~~	~~137,965,420~~	~~152,884,906~~	~~167,577,506~~	~~181,452,191~~	~~198,566,829~~	~~204,242,380~~	~~210,367,558~~	~~223,893,695~~

Capital Expenditure

Activity Component Name	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
7.1.2 Vehicle network	~~41,777,456~~	~~46,524,306~~	~~50,007,928~~	~~51,028,477~~	~~57,447,679~~	~~70,502,110~~	~~51,918,471~~	~~62,207,517~~	~~49,702,542~~	~~55,351,485~~
7.1.3 Cycle network	~~25,214,519~~	~~12,122,609~~	~~19,029,383~~	~~4,787,747~~	~~6,078,064~~	~~7,043,776~~	~~9,568,510~~	~~11,516,297~~	~~12,214,565~~	~~7,636,782~~
7.1.4 Passenger transport network	~~150,000~~	~~153,178~~	~~156,519~~	~~159,934~~	~~163,263~~	~~166,498~~	~~169,797~~	~~173,023~~	~~176,279~~	~~179,595~~
7.1.5 Pedestrian network	~~6,737,670~~	~~5,813,110~~	~~6,208,147~~	~~6,087,285~~	~~6,491,066~~	~~6,349,545~~	~~6,758,125~~	~~6,872,084~~	~~7,301,924~~	~~7,140,803~~
7.1.6 Network-wide control and management	~~3,096,000~~	~~3,473,914~~	~~3,553,608~~	~~3,635,130~~	~~3,714,887~~	~~3,792,680~~	~~3,868,422~~	~~3,945,676~~	~~4,024,358~~	~~4,100,702~~
7.1.7 Road safety	~~7,507,401~~	~~6,944,988~~	~~7,144,151~~	~~8,923,411~~	~~8,040,758~~	~~8,219,834~~	~~8,394,452~~	~~7,900,555~~	~~8,056,345~~	~~8,208,941~~
7.1.8 Lets Get Wellington Moving	~~56,551,817~~	~~48,501,802~~	~~65,786,189~~	~~52,093,305~~	~~26,455,274~~	~~11,105,893~~	~~11,328,012~~	~~11,543,246~~	~~11,762,568~~	~~11,986,058~~
7.1.10 Charged Up Capital	~~864,024~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total	**~~141,898,888~~**	**~~123,533,906~~**	**~~151,885,924~~**	**~~126,715,289~~**	**~~108,390,990~~**	**~~107,180,337~~**	**~~92,005,788~~**	**~~104,158,398~~**	**~~93,238,580~~**	**~~94,604,368~~**

Funding impact statement ($000s)

7.1 Transport	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~89,407~~	~~113,174~~	~~125,728~~	~~137,057~~	~~152,202~~	~~168,003~~	~~185,059~~	~~187,305~~	~~196,897~~	~~210,423~~
Targeted rates (other than a targeted rate for water supply)	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Subsidies and grants for operating purposes	~~11,852~~	~~12,435~~	~~12,733~~	~~13,058~~	~~13,355~~	~~13,646~~	~~13,949~~	~~14,276~~	~~14,609~~	~~14,938~~
Fees and charges	~~3,931~~	~~4,011~~	~~4,100~~	~~4,191~~	~~4,280~~	~~4,366~~	~~4,452~~	~~4,537~~	~~4,624~~	~~4,711~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total operating funding (A)	**~~105,189~~**	**~~129,620~~**	**~~142,561~~**	**~~154,306~~**	**~~169,837~~**	**~~186,015~~**	**~~203,460~~**	**~~206,118~~**	**~~216,131~~**	**~~230,071~~**

7.1 Transport	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Applications of operating funding										
Payments to staff and suppliers	~~47,241~~	~~43,253~~	~~44,775~~	~~44,889~~	~~45,216~~	~~45,984~~	~~47,073~~	~~48,172~~	~~49,302~~	~~50,783~~
Finance costs	~~18,008~~	~~19,721~~	~~21,839~~	~~22,925~~	~~24,102~~	~~25,958~~	~~28,477~~	~~32,477~~	~~33,110~~	~~33,975~~
Other operating funding applications	~~1,263~~	~~1,038~~	~~500~~	~~3,208~~	~~2,667~~	~~200~~	~~200~~	~~200~~	~~200~~	~~200~~
Internal charges	~~12,222~~	~~12,132~~	~~12,241~~	~~12,854~~	~~13,283~~	~~13,767~~	~~14,466~~	~~15,361~~	~~15,773~~	~~16,404~~
Total applications of operating funding (B)	**~~78,734~~**	**~~76,143~~**	**~~79,355~~**	**~~83,876~~**	**~~85,268~~**	**~~85,909~~**	**~~90,216~~**	**~~96,210~~**	**~~98,385~~**	**~~101,362~~**
Surplus (deficit) of operating funding (A-B)	**~~26,455~~**	**~~53,477~~**	**~~63,206~~**	**~~70,429~~**	**~~84,569~~**	**~~100,106~~**	**~~113,244~~**	**~~109,908~~**	**~~117,745~~**	**~~128,709~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~66,927~~	~~63,141~~	~~78,012~~	~~62,108~~	~~49,339~~	~~46,872~~	~~41,013~~	~~42,985~~	~~42,361~~	~~42,219~~
Development and financial contributions	~~942~~	~~942~~	~~942~~	~~942~~	~~942~~	~~942~~	~~942~~	~~942~~	~~942~~	~~942~~
Increase (decrease) in debt	~~47,574~~	~~5,974~~	~~9,725~~	~~(6,765)~~	~~(26,459)~~	~~(40,740)~~	~~(63,193)~~	~~(49,678)~~	~~(67,810)~~	~~(77,267)~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~115,444~~**	**~~70,057~~**	**~~88,680~~**	**~~56,286~~**	**~~23,822~~**	**~~7,075~~**	**~~(21,238)~~**	**~~(5,750)~~**	**~~(24,507)~~**	**~~(34,106)~~**
Applications of capital funding										
Capital expenditure										
- to meet additional demand	~~59,066~~	~~49,777~~	~~71,003~~	~~62,768~~	~~43,054~~	~~38,591~~	~~19,275~~	~~20,233~~	~~16,105~~	~~20,396~~
- to improve level of service	~~45,514~~	~~31,007~~	~~36,984~~	~~23,030~~	~~23,331~~	~~25,504~~	~~28,689~~	~~38,152~~	~~30,452~~	~~26,642~~
- to replace existing assets	~~37,319~~	~~42,750~~	~~43,898~~	~~40,917~~	~~42,006~~	~~43,086~~	~~44,041~~	~~45,774~~	~~46,682~~	~~47,566~~
Increase (decrease) in reserves	~~0~~	~~(0)~~	~~0~~	~~0~~	~~(0)~~	~~0~~	~~(0)~~	~~(0)~~	~~(0)~~	~~(1)~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~141,899~~**	**~~123,534~~**	**~~151,886~~**	**~~126,715~~**	**~~108,391~~**	**~~107,180~~**	**~~92,006~~**	**~~104,158~~**	**~~93,239~~**	**~~94,604~~**
Surplus (deficit) of capital funding (C-D)	**~~(26,455)~~**	**~~(53,477)~~**	**~~(63,206)~~**	**~~(70,429)~~**	**~~(84,569)~~**	**~~(100,106)~~**	**~~(113,244)~~**	**~~(109,908)~~**	**~~(117,745)~~**	**~~(128,709)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~54,670~~	~~65,999~~	~~75,443~~	~~86,258~~	~~99,945~~	~~113,555~~	~~126,752~~	~~126,846~~	~~131,216~~	~~142,180~~

7.2 Tūnga Waka

Parking

Purpose

Council manages on-street parking and enforcement services across both the city and surrounding suburbs.

This allows people to have reasonable access to primarily on-street parking to shop, access businesses and access recreation activities in line with the objectives the 2020 Parking Policy.

Activities

Activities in this group	Services we deliver
7.2.1 Parking	■ Enforcement of metered public parking spaces in central Wellington and other forms of parking primarily located in the central city including Taxi Stands Loading Zones, mobility parking, bus stops and other designated parking areas. ■ Monitor and enforce parking restrictions (including residents and coupon parking zones) in the inner-city suburbs ■ Monitor and enforce parking restrictions in all suburbs and respond to parking related requests for service from the public ■ Manage off-street parking where available, including by operating the Clifton Terrace carpark ■ Support events that take place across the city through the provision of dedicated parking enforcement. ■ Electric vehicle chargers on Council owned land ■ Dedicated car parking spots for car sharing services (currently Mevo and CityHop)

Rationale for Activities

To manage parking in line with the aims and objectives of the 2020 parking policy that maximises the opportunity for people to access parking for the purpose for which it is being provided.

To support people to access the city using cars in a lower-carbon way. Car sharing reduces the number of cars competing for parking in the city, and providing electric vehicle charging infrastructure ensures that car owners are supported to change to electric cars.

Significant negative effects

Council activities are carried out to maintain or improve the wellbeing of Wellingtonians and visitors to Wellington. Some of these activities may have some negative effects that need to be managed or mitigated.

Activity	Key negative effects	Mitigation
7.2 Parking	As transport mode shift is achieved (in support of the City's First to Zero goal) parking will be reduced to make way for active and public transport options, reducing revenue to Council. For example, providing spaces for car sharing vehicles is estimated to reduce parking revenue by $2.8m over 10 years.	Reductions in Council revenue through parking will need to be offset through cost savings or alternative revenue sources

Key service level changes

While most core services remain unchanged, there are some changes in how we deliver these services. We are aiming to maintain available parking for the public while other projects that affect road and parking layouts are in progress.

EV Chargers

For year 1 only, we will continue the EV charger roll out, increasing the number of EV chargers publicly available to 34. However, funding beyond this amount is removed, pending further advice on the costs and benefits of proceeding with installation of the remaining 26 chargers.

As part of this officers are also to investigate the potential to sell existing EV chargers to recover Council's investment.

Central City and Suburban Parking

While we have agreed not to implement paid parking and time restrictions in key suburbs, officers will investigate and report back in time for the 2025/26 Annual Plan process on options for suburban parking where demand for parking is high and in accordance with the parking policy.

We will be introducing new technology to enhance the parking service experience and enforcement. This includes an increased level of parking enforcement activity in suburban centres as well as the central city.

We will complete the development of 19 Parking Management Plans.

Motorcycle Parking

Motorcycle parking fees will be implemented to a maximum of $2.50 per hour. The specifics of the fee setting will be determined through a separate Traffic Resolution consultation process that will follow the LTP process. This will include consideration of a maximum daily charge. There will be increased enforcement to ensure turnover.

Changes to Capital Programme

Due to the capital programme review, we are reducing the Parking Upgrades and Parking Management Plan projects and rephasing the implementation to the outer years of the current LTP

1. Period covered is 6am-10.30pm 7 days per week

2. Baseline was calculated between the period Jul23-Feb24 6am-10.30pm 7days per week

3. Baseline is calculated as an average between the period Jul23-Feb24

4. Baseline is calculated as an average between the period Jul22-Jun23

Statement of levels of service and performance measures

Activity – 7.2 Parking

Level of Service Statement: Manage parking in line with the aims and objectives of the 2020 parking policy

Key Performance Indicator	**Service dimension**	**Ba**	**Key Performance Indicator**	**Service dimension**	**Baseline**	**Target**	**Reporting frequency**
Parking enforcement request for service response times[1]: a. Level 1 requests (vehicle entrance obstruction, broken yellow lines, central city footpaths) b. Level 2 requests (other footpaths, resident parking)	Responsiveness	a. 65%[2] b. 60%[2]	infringement appeals to WCC b. Parking infringement re-appeals to WCC c. Parking infringement court hearings d. Court hearing decision against WCC a. Level 1 60-75% b. Level 2 60-75%	Quarterly	c. 9%[3] d. 0.2%[3]	b. ≤5% of appeals to WCC received c. ≤5% of infringement notices d. ≤5% of number of Court hearings in respect of parking infringement notices	
Reduction in parking infringement appeals: a. Parking	Client Satisfaction	a. 7.97%[3] b. 1.6%[4]	a. ≤10% of infringement notices to WCC	Quarterly			

What it will cost

Operating Expenditure

Activity Component Name	**Income/ Expense**	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
7.2.1 Parking	Expense	~~22,510,062~~	~~23,008,674~~	23,662,132	24,770,832	25,956,982	25,457,715	26,073,004	26,866,444	27,556,683	28,527,551
	Income	~~(38,077,416)~~	~~(38,116,394)~~	(38,909,634)	(39,776,151)	(40,622,197)	(41,445,624)	(42,244,305)	(43,058,385)	(43,888,161)	(44,690,049)
Total		**~~(15,567,354)~~**	**~~(15,107,720)~~**	**(15,247,502)**	**(15,005,319)**	**(14,665,215)**	**(15,987,909)**	**(16,171,301)**	**(16,191,941)**	**(16,331,478)**	**(16,162,498)**

Capital Expenditure

Activity Component Name	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
7.2.1 Parking	~~5,930,283~~	~~1,701,726~~	~~1,660,395~~	~~2,005,090~~	~~985,565~~	~~1,236,090~~	~~1,081,377~~	~~2,074,767~~	~~2,518,118~~	~~2,156,347~~
Total	**~~5,930,283~~**	**~~1,701,726~~**	**~~1,660,395~~**	**~~2,005,090~~**	**~~985,565~~**	**~~1,236,090~~**	**~~1,081,377~~**	**~~2,074,767~~**	**~~2,518,118~~**	**~~2,156,347~~**

Funding impact statement ($000s)

1.1 Governance Information and Engagement	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
Sources of operating funding										
General rates, uniform annual general charges, rates penalties	~~(14,625)~~	~~(14,166)~~	~~(14,306)~~	~~(14,063)~~	~~(13,723)~~	~~(15,046)~~	~~(15,277)~~	~~(15,298)~~	~~(15,488)~~	~~(15,319)~~
Targeted rates (other than a targeted rate for water supply)	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Subsidies and grants for operating purposes	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Fees and charges	~~28,591~~	~~29,553~~	~~30,144~~	~~30,809~~	~~31,458~~	~~32,089~~	~~32,700~~	~~33,323~~	~~33,958~~	~~34,572~~
Interest and dividends from investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Local authorities fuel tax, fines, infringement fees, and other receipts	~~9,486~~	~~8,563~~	~~8,766~~	~~8,967~~	~~9,165~~	~~9,357~~	~~9,544~~	~~9,735~~	~~9,930~~	~~10,118~~
Total operating funding (A)	**~~23,452~~**	**~~23,951~~**	**~~24,604~~**	**~~25,713~~**	**~~26,899~~**	**~~26,400~~**	**~~26,967~~**	**~~27,761~~**	**~~28,400~~**	**~~29,371~~**
Applications of operating funding										
Payments to staff and suppliers	~~14,899~~	~~14,910~~	~~15,296~~	~~15,690~~	~~16,275~~	~~16,603~~	~~17,009~~	~~17,398~~	~~17,803~~	~~18,184~~
Finance costs	~~821~~	~~821~~	~~821~~	~~821~~	~~821~~	~~821~~	~~821~~	~~821~~	~~821~~	~~821~~
Other operating funding applications	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~	~~2~~
Internal charges	~~5,573~~	~~5,641~~	~~5,606~~	~~6,015~~	~~6,304~~	~~6,453~~	~~6,815~~	~~7,251~~	~~7,436~~	~~7,747~~
Total applications of operating funding (B)	**~~21,294~~**	**~~21,373~~**	**~~21,724~~**	**~~22,527~~**	**~~23,402~~**	**~~23,878~~**	**~~24,646~~**	**~~25,472~~**	**~~26,062~~**	**~~26,755~~**
Surplus (deficit) of operating funding (A-B)	**~~2,158~~**	**~~2,577~~**	**~~2,881~~**	**~~3,185~~**	**~~3,497~~**	**~~2,521~~**	**~~2,321~~**	**~~2,289~~**	**~~2,338~~**	**~~2,616~~**
Sources of capital funding										
Subsidies and grants for capital expenditure	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Development and financial contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Increase (decrease) in debt	~~3,772~~	~~(876)~~	~~(1,220)~~	~~(1,180)~~	~~(2,512)~~	~~(1,285)~~	~~(1,239)~~	~~(214)~~	~~180~~	~~(460)~~
Gross proceeds from sales of assets	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Lump sum contributions	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total sources of capital funding (C)	**~~3,772~~**	**~~(876)~~**	**~~(1,220)~~**	**~~(1,180)~~**	**~~(2,512)~~**	**~~(1,285)~~**	**~~(1,239)~~**	**~~(214)~~**	**~~180~~**	**~~(460)~~**
Applications of capital funding										
Capital expenditure										

1.1 Governance Information and Engagement	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
- to meet additional demand	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
- to improve level of service	~~4,714~~	~~915~~	~~940~~	~~962~~	~~197~~	~~202~~	~~206~~	~~210~~	~~214~~	~~218~~
- to replace existing assets	~~1,216~~	~~786~~	~~720~~	~~1,043~~	~~788~~	~~1,035~~	~~876~~	~~1,865~~	~~2,304~~	~~1,939~~
Increase (decrease) in reserves	~~0~~	~~0~~	~~0~~	~~0~~	~~(0)~~	~~(0)~~	~~(0)~~	~~(0)~~	~~(0)~~	~~(0)~~
Increase (decrease) in investments	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Total applications of capital funding (D)	**~~5,930~~**	**~~1,702~~**	**~~1,660~~**	**~~2,005~~**	**~~986~~**	**~~1,236~~**	**~~1,081~~**	**~~2,075~~**	**~~2,518~~**	**~~2,156~~**
Surplus (deficit) of capital funding (C-D)	**~~(2,158)~~**	**~~(2,577)~~**	**~~(2,881)~~**	**~~(3,185)~~**	**~~(3,497)~~**	**~~(2,521)~~**	**~~(2,321)~~**	**~~(2,289)~~**	**~~(2,338)~~**	**~~(2,616)~~**
Funding balance ((A-B) + (C-D))	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**	**~~0~~**
Expenses for this activity grouping include the following depreciation/amortisation charge	~~1,216~~	~~1,635~~	~~1,939~~	~~2,244~~	~~2,555~~	~~1,579~~	~~1,427~~	~~1,394~~	~~1,495~~	~~1,773~~

Changes to this document are reflected in other financial information that is included as part of the amendment of the 2024-25 Long-term Plan.

Ngā pakihi ā te Kaunihera
Council-controlled organisations

To achieve our objectives for Wellington, we have established several companies and trusts to independently manage Council facilities, or to deliver significant services and activities for the Wellington community.

Where necessary, we provide funding to support their operations and capital investment requirements.

The following pages provide a summary of what the organisations do, their objectives and structure, and how their performance is measured.

For detail on the performance measures that WCC will be reporting on, see the relevant chapter of this document.

Wellington Museums Trust

The Wellington Museums Trust was established in 1995 and now trades as Wheako Pōneke Experience Wellington. The Trust operates six visitor experiences for the Council.

These are Capital E, Space Place at Carter Observatory, City Gallery Wellington, Nairn Street Cottage, Wellington Museum (including the Plimmer's Ark display in the Old Bank Arcade) and the Cable Car Museum.

Objectives	Activities	Performance measures
Wheako Pōneke Experience Wellington brings to life the city's arts, culture and heritage taonga on Council's behalf. Its year-round programme of exhibitions, events and experiences deliver a constant heartbeat of activity to the capital: enriching the lives of its visitors and strengthening the city. Purpose: We work together with and for Wellington to create remarkable experiences that generate vitality, strengthening the city we love	■ Deliver high-quality experiences, events and exhibitions at its facilities. ■ Manage conservation and care for its collections and artefacts. ■ Conduct research and development to enhance visitors' experiences. ■ Offer education experiences to children and young people. ■ Work with national and international artists and collectors.	■ Visitors ■ Student & education visits ■ Council operating grant per visitor ■ Trading revenue per visit (excl. grants & interest) ■ Non-council donations and funding ■ Non council revenue as percentage of total revenue ■ Percentage of satisfied visitors

More detail provided in **4. Cultural wellbeing** from page 50.

Wellington Regional Economic Development Agency Ltd

The Wellington Regional Economic Development Agency Limited, trading as WellingtonNZ, is the Wellington region's economic development and promotions agency.

They also operate Screen Wellington and are responsible for operating Wellington City's performance Venues. In addition, WellingtonNZ is the owner of a subsidiary company, Creative HQ Ltd. Creative HQ provides business incubation, acceleration, and innovation services.

Objectives	Activities	Performance measures
WellingtonNZ markets Wellington as a destination for visitors, migrants and investors; it helps businesses grow and innovate; it advocates for Wellington's economy and attracts and promotes major events and runs our civic venues. WellingtonNZ's vision is that the Wellington regional economy is thriving, with more people participating in the benefits. This means more opportunities for people – to study, work, enjoy, and participate in all that the region has to offer. To contribute to this vision, WellingtonNZ's mission is to be a catalyst in creating a thriving Wellington region for all. WellingtonNZ actively promotes the Wellington to domestic and international audiences and invest in events which bring visitors to our region. With a wide range of partners (WCC, GWRC, central government, local businesses, universities and education providers, and their subsidiary Creative HQ), WellingtonNZ invest in and support initiatives to create jobs, improve quality of life, and retain and develop the talent in our region.	■ Markets and promotes Wellington as a destination for tourists, migrants, students, businesses and investors. ■ Helps businesses grow and innovate. ■ Advocates for Wellington's economy. ■ Attracts and promotes conferences, performances and major events. ■ Operates the civic venues	■ Direct economic impact of WellingtonNZ's activities and interventions ■ Number of businesses engaged by a WellingtonNZ intervention or programme ■ Equivalent Advertising Value (EAV) from media activity ■ Value of expenditure generated from events (including business, performance, and major events) ■ The number of Wellington Region residents that attend events ■ Stakeholder engagement satisfaction ■ Māori Business support ■ Pasifika Business support ■ Funding diversification (% of revenue from commercial/non council funding & commercial activity)

More detail provided in **3. Economic Development** from page 42.

Wellington Zoo Trust

The Wellington Zoo Trust manages Wellington's award-winning progressive zoo, home to native and international animals, and is recognised locally and globally for leadership and expertise in animal welfare, conservation, visitor experience, animal habitat design and sustainability.

The Wellington Zoo Trust manages Wellington's Zoo, home to native and exotic animals, and is recognised for expertise in animal welfare, conservation, visitor experience and sustainability.

Objectives	Activities	Performance measures
The Trust manages the assets and operations of Te Nukuao Wellington Zoo for the benefit of the residents of Wellington and visitors to the city. Te Nukuao Wellington Zoo delivers learning sessions to thousands of ākonga a year to grow their understanding of animals and the natural world. It also partners with conservation organisations for at-risk species from New Zealand and around the world and to advocate for animals and save wildlife and wild places. Wellington Zoo treats hundreds of native animals a year at The Nest Te Kōhanga the Zoo's animal hospital and centre for wildlife health services and is the world's first carboNZero certified zoo (2013).	▪ Deliver learning sessions to children to grow their understanding of animals and the natural world. ▪ Partner with conservation organisations for at-risk species from New Zealand and around the world and to advocate for animals and save wildlife and wild places. ▪ Treat native animals at The Nest Te Kōhanga the Zoo's animal hospital and centre for wildlife health services. ▪ Care for resident animals and provide a high-quality visitor experiences. ▪ Participate in captive management breeding and breed-for-release programmes. ▪ Develop and maintain high- quality animal exhibits. ▪ Contribute to zoological, conservation and facilities management research projects.	▪ Visitors ▪ Student & education visits ▪ Percentage of satisfied visitors ▪ Council operating grant per visitor ▪ Trading revenue per visit (excl. grants & interest) ▪ Non-council donations and funding

More detail provided in **2. Environment and infrastructure** from page 11.

Basin Reserve Trust

The Basin Reserve Trust is responsible for the operation and management of Wellington's Basin Reserve.

The day-to-day operational activities are conducted by Cricket Wellington under a management agreement with the Trust. The Trust is comprised of four members, two elected by Wellington City Council including the chairperson and two members elected by Cricket Wellington.

Objectives	Activities	Performance measures
The Basin Reserve Trust manages and operates the Basin Reserve to continue to attract national and international sporting events to Wellington. The overall vision is that the ground remains highly valued locally as a public reserve of unique character and is recognized as the premier International Cricket venue in New Zealand.	■ The day-to-day operational activities are conducted by Cricket Wellington under a management agreement with the Trust. ■ Manage the Basin Reserve for recreational activities and the playing of cricket. ■ Contribute to the events programme for Wellington. ■ Preserve and enhance the heritage value of the Basin Reserve. ■ Provide the home for the New Zealand Cricket Museum. ■ Promote and coordinate fund raising to support the Trust's activities.	■ Numbers attending events at the Basin Reserve ■ Council operating grant per attendance ■ Event income ■ Activity days (comprising ticketed Cricket events, practice days and functions)

More detail provided in **5. Social and recreation** from page 58.

Karori Sanctuary Trust

The Karori Sanctuary Trust (trading as ZEALANDIA Te Māra a Tāne) manages ongoing conservation and restoration work at the sanctuary.

They work with local organisations and community groups to support local biodiversity, provides educational experiences, and connects people to New Zealand's unique natural heritage.

Objectives	Activities	Performance measures
Mission: We will have a world-class conservation site portraying our natural heritage that captures people's imagination, understanding and commitment. Purpose: We connect people with our unique natural heritage, and inspire actions that transform how people live with nature in our cities, towns and beyond. Our place in transformation: Zealandia will be a place that transforms biodiversity, people and knowledge, and through this transforms our capacity for living with nature.	■ Manage a 225ha conservation estate, home to dozens of native species ■ Promote conservation and advocate for New Zealand's native wildlife ■ Work with iwi and local groups to improve biodiversity across the Wellington region ■ Partner with leading educational institutions to facilitate world- class environmental research ■ Facilitate educational programmes and resources to young people around the Wellington region.	■ Visitors ■ Percentage of satisfied visitors ■ Council operating grant per visitor ■ Trading revenue per visit (excl. grants & interest) ■ Non-council donations and funding

More detail provided in **2. Environment and infrastructure** from page 11.

Wellington Cable Car Limited

Wellington Cable Car Ltd owns and operates Wellington's iconic cable car, a funicular railway situated at the end of the Cable Car Lane, off Lambton Quay in the heart of Wellington city.

The cable car provides a unique form of public transport from the city to the suburb of Kelburn.

Objectives	**Activities**	**Performance measures**
Wellington Cable Car Limited owns and operates the Cable Car. Vision: The Wellington Cable Car is the most iconic tourist attraction in Wellington and the transport of choice for our local whānau. It is an enduring, carbon positive Wellington experience that connects our people, spaces, places, and venues. Purpose: Host uniquely Wellington experiences that locals are proud of, and visitors remember and share	■ Maintain the cable cars and associated plant, the railway tracks, tunnels, bridges and buildings in accordance with best engineering practice, and to meet all legislative compliance. ■ Market and manage the cable car passenger service.	■ Total Passengers ■ Cable Car Reliability ■ Fare income ■ Customer Satisfaction

More detail provided in **7. Transport** from page 91.

Wellington Water

The role of Wellington Water is to manage the drinking water, wastewater and stormwater services of its shareholder council owners.

Wellington Water is owned by the Hutt, Porirua, Upper Hutt and Wellington city councils, South Wairarapa District Council and Greater Wellington Regional Council. The councils are all equal shareholders.

The Wellington Water Committee provides overall leadership and direction for the company. A representative from each authority sits on the Committee.

Wellington Water Ltd is governed by a board of independent directors.

Objectives	Activities	Performance measures
The role of Wellington Water is to manage the drinking water, wastewater and stormwater services of its shareholder council owners. Wellington Water is owned by the Hutt, Porirua, Upper Hutt and Wellington city councils, South Wairarapa District Council and Greater Wellington Regional Council. The councils are all equal shareholders.	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 ongoing development of drinking water, stormwater and wastewater assets and services, and ■ asset management planning.	■ Full details on the KPIs in these areas are provided in **2. Environment and Infrastructure** from page 11: ☐ 2.3 Water ☐ 2.4 Wastewater ☐ 2.5 Stormwater

More detail provided in **2. Environment and Infrastructure** from page 11.

Wellington Regional Stadium Trust

The Trust owns, operates and manages Sky Stadium, which provides high-quality facilities for a range of sports. The stadium also hosts a range of musical and cultural sponsored events, it hosts a variety of trade shows plus various community events.

The Trust's board of trustees is jointly appointed by Greater Wellington Regional Council and this Council.

The Trust is not a Council Controlled Organisation, for the purposes of the Local Government Act 2002. However, the Trustees have agreed to be subject to the reporting requirements and monitoring procedures of both Councils to acknowledge the value of each Council's investment in the stadium.

Objectives	Activities	Performance measures
The objectives as set out in the founding Trust Deed are: ■ To own, operate and maintain the Stadium as a high-quality multi-purpose sporting and cultural venue; ■ To provide high quality facilities to be used by rugby, cricket and other sports codes, musical, cultural and other users including sponsors, event and fixture organisers and promoters so as to attract to the Stadium high quality and popular events for the benefit of the public of the region; and ■ To administer the Trust's assets on a prudent commercial basis so that the Stadium is a successful, financially autonomous community asset.	■ Owns and operates the Stadium. ■ Manages the event programme and seeks opportunities to provide a full and balanced event calendar. ■ Ensures the Stadium is provided to the community for appropriate usage. ■ Operates the Stadium on a prudent commercial basis.	■ Revenue – total, and event ■ Net surplus (deficit) ■ Net cash flow ■ Liquidity ratio ■ Bank borrowing to total assets. ■ Capital expenditure

More detail provided in **3. Economic Development** from page 42.

Dog owners benefit from the regulatory platform established by the Dog Control Act, ensuring that all dogs are registered and subject to control measures.

Period of benefits
The benefit of the operating costs is expected to arise in the year the funding is sourced.

Who creates need?
The actions of individuals and businesses exclusively contribute to the need for this activity.

Separate funding
Council considers that there is little benefit of separate funding.

Funding mix

- Moderate to High (60%-70%): User Charges
- Low to Moderate (30%-40%): General Rates
- Unlikely (0%): All other funding sources

Rationale
As this work protects the community from harm arising from the actions of individuals and businesses, it is appropriate that those individuals or businesses potentially causing the harm should pay.

For some services, it is not appropriate or possible to charge users. Since this work offers benefits to the broader community, it is appropriate for the remaining costs to be funded from general rates.

Āpitihanga 3: Kuputaka
Appendix 3: Glossary

Council terminology

- **Accessibility:** Set out in Article 9 of the United Nations Convention on the Rights of Persons with Disabilities (UN-CRPD): "To enable persons with disabilities to live independently and participate fully in all aspects of life, State Parties shall take appropriate measures to ensure persons with disabilities access, on an equal basis with others, to the physical environment, to transportation, to information and communications, including information and communications technologies and systems, and to other facilities and services open or provided to the public, both in urban and in rural areas."
- **Asset:** An item of value, usually something of a physical nature that you can reach out and touch, that will last for more than one year. Infrastructure assets are physical items such as roads, pipes and council buildings that are needed to provide basic services.
- **Asset management planning / plan:** The ongoing process to manage assets from acquisition, operation, maintenance and renewal throughout the asset lifecycle. The asset management plans set out the level of service to meet demand in the most cost-effective manner possible.
- **Assumptions:** Estimates or predictions that underpin decision making
- **Bylaw:** A rule or regulation made by a local council.
- **Capital Expenditure (Capex):** Capital investment or capital expenditure. Money that is used for building (or buying) assets such as roads, pipes and buildings that are used to provide services to Wellingtonians.
- **Capital programme:** The plan for what capital expenditure will be spent on.
- **Carbon sink:** Any process, activity or mechanism which removes a greenhouse gas from the atmosphere
- **Cleanfill:** Natural soils such as clay, soil, and rock, and some manufactured materials such as concrete, brick or tiles
- **Deed of Guarantee:** A binding legal document under which one party (the guarantor) agrees to guarantee that certain obligations of another party will be met.
- **Deficit:** An excess of expenditure or liabilities over income or assets in a given period.
- **Depreciation:** A reduction in the value of an asset with the passage over time, due in particular to wear and tear. Council fund depreciation from the general rates ensuring we can replace the assets in the future.
- **Doughnut Economics:** Living within planetary boundaries and fair and just social systems
- **Hedging position:** A position in an asset of investment that reduces the price risk of an existing position.
- **IAP2 engagement spectrum:** This indicates different engagement approaches on a spectrum from providing information through to community empowerment.
- **Inflation:** The term used to describe a rise of average prices through the economy
- **Legislation:** Laws, the process of making and passing laws
- **Level of Certainty:** Measure of how likely it is that a certain statement or result is true.
- **Levels of Service (LoS):** An asset management term referring to the quality of a given service.
- **Net Surplus:** Measure that shows business income after subtracting costs.
- **Operating Expenditure (Opex):** Operating budget or operating expenditure. Money that the council spends on providing the day-to-day services in the current financial year, as opposed to building or upgrading assets that will provide services for years to come. This includes spending money on staff and contractors to do things like process building consents, open libraries, run buses and maintain

parks. It also includes things liking paying grants to community organisations and paying interest on money the council has borrowed.

- **Optimised Replacement Value:** Amount to replace an asset at the present time, according to its current worth.
- **Price ceiling:** Price control, set by a government, that sets the highest price at which a good or service can be sold.
- **Price floor:** Lower limit on the price that can be charged for a product or service, set by a government.
- **Regulatory Mechanisms:** An ordinance, permit, standard, contract language, or any other procedure, that will be enforced by the permittee.
- **Repeal:** Revoke or withdraw formally of officially a law or act of parliament.
- **Resilience:** The ability of a system or community to maintain certain functions, processes, or populations after experiencing a disturbance.
- **Sludge:** Biosolid residue that accumulates in sewage treatment plants.
- **Vested Assets:** Assets that are transferred to a public entity at nominal or zero cost.

Acronyms

- **BERL**: Business and Economic Research Limited
- **CCO**: Council Controlled Organisations
- **CO2**: Carbon Dioxide
- **CPI:** Consumers Price Index
- **CV:** Capital Value
- **DC:** Development contributions
- **GWRC:** Greater Wellington Regional Council
- **IDS**: Infrastructure Design Standards
- **IFFA:** Infrastructure Funding and Financing Act
- **LD:** Liquidated Damages
- **LGFA:** Local Government Funding Act
- **LGWM:** Let's Get Wellington Moving
- **LTP**: Long-term Plan
- **NBA:** Natural and Built Environment Act
- **NIWA:** National Institute of Water and Atmospheric Research
- **NSHM:** National Seismic Hazard Model
- **NZTA:** New Zealand Transport Agency
- **NZU:** New Zealand Unit (emissions unit)
- **RAMM:** Road Assessment and Maintenance Management
- **RMA:** Resource Management Act
- **SCP:** Special Consultative Procedure
- **SDGs:** Sustainable Development Goals
- **SPA:** Spatial Planning Act
- **WIAL:** Wellington International Airport Limited

Advice on selling current carbon credit holdings to capitalise a disaster resilience fund

Council and the Emissions Trading Scheme (ETS) – Landfill emissions

1. Southern Landfill is owned by Wellington City Council, and in 2023/24 accounted for roughly 38,000 tCO2-e of Council's total Scope 1 & 2 emissions of 51,000 tCO2-e. These emissions are directly subject to obligations under the Emissions Trading Scheme (the "ETS").
2. NZUs (one unit per tonne of carbon dioxide equivalent emitted) are purchased from the ETS market as a capital expense, and recorded as an asset in our accounts at their purchase price, until we require them to meet our obligations.
3. When we surrender NZUs to the Crown (in May each year for the proceeding calendar year) the units are removed from our asset register and recorded as an expense against our landfill operation using the purchase price. Both the Capex and Opex sides of this obligation are budgeted for in the 2024 LTP.
4. Council has a notional **hedging strategy** where we buy NZUs in advance (similar to our approach to derivatives for interest rate risk and FX exposures), in order to manage our input costs for landfill gate pricing. Currently we are purchasing NZUs about five years ahead of our obligations.
5. Going forward, we expect our landfill obligation to be between 30,000 and 50,000 tCO2-e per year (it varies considerably depending on whether large projects in the city are generating waste in any given year).

Implications of selling NZUs being held for our landfill obligations

6. If we sold 150,000 NZUs, we would need to purchase NZUs in 2025/2026 to meet our obligation for 2025 (due in May 2026). We would be purchasing NZUs at the 2025 market price, and recording them as an expense at the 2025 market price.
7. The sale of the NZUs would be worth $9.5m at the current market price of $63/NZU.
8. This would be a change to Council's hedging strategy, and levels of service for waste activities would need to be adjusted accordingly. We have forecast this opportunity cost at roughly $2m per year, from Y2 of the LTP (~$17m opportunity cost from Y2 to Y10 of the LTP).
9. This is an estimated opportunity cost, given that the market price of NZUs can be forecast but are subject to volatility. There is a market expectation that in the medium to long-term NZU prices will continue to rise, based on central government policy settings.

Implications of using up the NZUs being held for our landfill obligations

10. If we used up the 150,000 NZUs to meet our landfill obligations, we forecast that we would need to purchase in Y7 of the LTP the NZUs to meet our obligation at the Y7 market price, and record them as an expense at the Y7 market price.
11. With this approach we could delete the CAPEX budget that supports the hedging strategy. This would save ~$23m of CAPEX over Y2 to Y6 of the LTP.
12. This would be a change to Council's hedging strategy, and levels of service for waste activities would need to be adjusted accordingly. We have forecast this opportunity cost at ~$2m per year, from Y7 of the LTP (~$7m from Y7 to Y10 of the LTP).

13. This is an estimated opportunity cost, given that the market price of NZUs can be forecast but are subject to volatility. There is a market expectation that in the medium to long-term NZU prices will continue to rise, based on central government policy settings.

Council and the Emissions Trading Scheme (ETS) – Forestry sequestration

14. As outlined in the 2024 Te Atakura Update: "Around 3,165 hectares of Council owned land is regenerating indigenous forests, and another 418 hectares is planted in exotic forests. These forests sequester carbon from the atmosphere. Of these forests, 1,453 hectares of indigenous and 33 hectares of exotic forests are post-1989 forests and are included in the Emissions Trading Scheme. Over time we are transitioning areas of exotic pine trees to native coastal forest species as part of our restoration planting programme."
15. Each year Council receives around 10,000 NZUs from the Crown. Should any events happen to the forests (harvesting, fire, landslips, etc) the NZUs generated by the forest since its registration in the ETS need to be surrendered back to the Crown. If NZUs have been sold, we would need to purchase these units back at future market prices (these are expected to continue to increase over time).
16. The majority of our registered forestry land is registered as permanent forest sinks, so in the case of an event we would also need to replant these areas to regenerate them to their former state. We would earn back NZUs over time as our forests regenerated.
17. Each year in our city inventory reporting, we report on the amount of carbon sequestration that has occurred that year due to forestry within our boundary, including Council owned forests registered in the ETS. We report this sequestration as an "offset" against the city's emissions, claiming the environmental benefit of those forests for the city.

Financial implications of selling NZUs created from our forestry holdings

18. If we sold some of or all of the 350,000 NZUs that have been created from our forestry to date, we would create a contingent liability that would crystalise should we experience any events that damaged our forests. The risks of events damaging our forests is increasing due to climate change. For example, landslides from heavy rainfall events, fires due to an increase in hot days. There are also risks to forests from earthquakes (ground movements, landslides). This risk is somewhat mitigated due to geographic diversification across the city – i.e. an event that may impact part of our forestry assets may not impact the full stock (for example a fire may be contained to one area of our forestry, whereas a large weather event could have more widespread impacts).
19. This financial risk could be mitigated through holding back a portion of credits (assuming that only a proportionate amount of our forestry would be impacted by an event), insurance, or financial contracts securing future carbon prices.
20. Selling 50% of the holdings would create a ~$10m asset would be available to capitalise the Fund, at current market value.
    - A contingent liability from an event is managed in this instance by holding on to 50% of the holdings, and insurance products can be investigated to cover this risk further. Noting that the insurance market pulled away from offering us this insurance product in the 2023 insurance renewals because we were already covering off this risk internally with our NZU holdings.

21. Selling 80% of the holdings would create ~$16.5m for the Disaster Resilience Fund.

22. The assumptions of value in paragraph 20 and 21 are based on an orderly sale process. If the credits were put up for sale all at once, this would likely impact value that could be recognised. This could be achieved by transferring the asset(s) into the Disaster Resilience Fund rather than liquidating the credits to transfer cash into the fund. This would also enable the Fund to take advantage of increasing carbon prices (rather than selling them immediately). If the Fund can find an investment that increases in value faster than the price of carbon is forecast to increase, then selling the NZUs would be a net gain.

Environmental implications of selling NZUs created from our forestry holdings

23. There is also a carbon accounting challenge with selling the forestry NZUs. When carbon sequestration was reported as an offset on our city emissions inventory, we should have at the same time cancelled the relevant NZUs as we were claiming the environmental benefit of the units. If we sell the units, we are selling the benefit of offsetting carbon emissions to another entity. If they are not in the Wellington City boundary, this negates how our city emissions were reported, and goes against the intention of our *Te Atakura – First to Zero* climate action strategy.

24. Going forward, if we are selling forestry NZUs each year, then we would need to change our city inventory reporting to account for these sales.

25. Officers recommend that for future years we either cancel the NZUs created from our forestry as they are received, or deregister the forests from the ETS and return the NZUs we have received from the forests to date to the Crown.

26. Another option is to sell forestry NZUs in order to fund future emissions reduction or sequestration activities. This option has the same financial and environmental risks discussed above in paragraph 23, however the negative environmental implications are potentially mitigated by using the proceeds to fund climate action. For example, the proceeds could go directly to funding additional transport projects and/or additional regeneration projects in the Outer Green Belt. Both of these activities would assist with achieving the city's net zero by 2050 goal.

Summary of options to be considered in developing a Carbon Credit Policy for landfill NZUs

27. Landfill NZU Option 1 – Retain status quo
    - We continue to hedge against future landfill NZU obligations, with no impact on current CAPEX or OPEX budgets
28. Landfill NZU Option 2 – Stop advance purchasing of landfill NZUs
    - This option avoids $23m in CAPEX, but costs ~$2m p.a. in OPEX ($7m in total) from Y7 of the LTP onwards. This would require a change to waste levels of service from Y7.
29. Landfill NZU Option 3 – Sell 150,000 landfill NZUs
    - This option creates ~$9m to transfer to a Disaster Resilience Fund, costing ~$2m p.a. in OPEX (~$17m in total) from Y2 of the LTP. This would require a change to waste levels of service from Y2.

Summary of options to be considered in developing a Carbon Credit Policy for forestry NZUs

30. Forestry NZU Option 1 – Retain all forestry NZU holdings (status quo)

31. Forestry NZU Option 2 – Cancel all forestry NZUs and deregister our forestry from the ETS
    - This avoids future environmental contingent liabilities, as we would no longer hold NZUs that we are required to surrender to the Crown in the event some or all of our forests are damaged
32. Forestry NZU Option 3 – Transfer 50% of the forestry NZUs to a Disaster Resilience Fund as/when it is established
    - This would net ~$10m at current market prices, and create financial and environmental contingent liabilities
33. Forestry NZU Option 4 – Investigate an orderly sale of 50% of the forestry NZUs to capitalise a Disaster Resilience Fund as/when it is established
34. Forestry NZU Option 5 – Investigate an orderly sale of 50% of the forestry NZUs to fund climate action not currently funded in the 2024 Long-term Plan

Prospective Statement of Comprehensive Revenue and Expense - Wellington City Council

	2025/26 LTP	2025/26 Annual Plan	Variance to LTP
	$000's	$000's	$000's
REVENUE			
Rates	633,644	639,382	5,738
Revenue from operating activities			
Development contributions	3,500	3,500	-
Grants, subsidies and reimbursements	221,578	203,997	(17,581)
Other operating activities	197,743	194,385	(3,358)
Investments revenue	26,719	26,048	(671)
Vested assets and other revenue	3,265	3,373	108
Fair value movements - gains	5,938	5,854	(84)
Finance revenue	102	36	(66)
TOTAL REVENUE	**1,092,489**	**1,076,575**	**(15,914)**
EXPENSE			
Finance expense	74,702	71,933	(2,769)
Expenditure on operating activities	631,488	672,109	40,621
Depreciation and amortisation	245,230	255,922	10,692
TOTAL EXPENSE	**951,420**	**999,964**	**48,544**
NET SURPLUS/(DEFICIT) FOR THE YEAR	**141,069**	**76,611**	**(64,458)**
OTHER COMPREHENSIVE INCOME			
Fair value movement - property, plant and equipment (net)	219,263	210,698	(8,565)
Share of equity accounted surplus from associates	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME	**219,263**	**210,698**	**(8,565)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**360,332**	**287,309**	**(73,023)**

Prospective Statement of Financial Position - Wellington City Council

	2025/26 LTP	2025/26 Annual Plan	Variance to LTP
ASSETS	**$000's**	**$000's**	**$000's**
Current Assets			
Cash and cash equivalents	44,110	42,057	(2,053)
Derivative financial assets	-	724	724
Receivables and recoverables	102,867	114,249	11,382
Prepayments	20,877	32,572	11,695
Other financial assets	336,500	328,615	(7,885)
Inventories	1,013	1,355	342
Non-current assets classified as held for sale	-	-	-
Total Current Assets	**505,367**	**519,572**	**14,205**
Non Current Assets			
Derivative financial assets	72,984	63,713	(9,271)
Other financial assets	68,555	68,406	(149)
Intangibles	45,531	46,002	471
Investment properties	293,107	194,660	(98,447)
Property, plant and equipment	12,343,659	12,405,795	62,136
Investment in controlled entities	5,998	5,998	-
Investment in associates and joint venture	19,384	19,384	-
Total Non Current Assets	**12,849,218**	**12,803,958**	**(45,260)**
Total Assets	**13,354,585**	**13,323,530**	**(31,055)**
LIABILITIES			
Current Liabilities			
Derivative financial liabilities	-	-	-
Exchange transactions and transfers payable	154,555	158,637	4,082
Deferred revenue	22,637	22,336	(301)
Borrowings	256,500	246,500	(10,000)
Employee benefit liabilities and provisions	12,852	13,704	852
Provisions for other liabilities	3,142	4,164	1,022
Total Current Liabilities	**449,686**	**445,341**	**(4,345)**
Non Current Liabilities			
Derivative financial liabilities	-	-	-
Exchange transactions and transfers payable	-	-	-
Borrowings	2,191,400	2,090,590	(100,810)
Employee benefit liabilities and provisions	1,073	969	(104)
Provisions for other liabilities	26,567	28,813	2,246
Total Non Current Liabilities	**2,219,040**	**2,120,372**	**(98,668)**
Total Liabilities	**2,668,726**	**2,565,713**	**(103,013)**
Net Assets	**10,685,859**	**10,757,817**	**71,958**
Equity			
Accumulated funds and retained earnings	5,336,176	5,259,474	(76,702)
Revaluation reserves	5,250,456	5,408,763	158,307
Hedging Reserve	73,180	65,326	(7,854)
Fair value through other comprehensive income and expen	6,889	7,330	441
Restricted funds	19,158	16,924	(2,234)
Total Equity	**10,685,859**	**10,757,817**	**71,958**

Prospective Statement of Changes in Equity - Wellington City Council

	2025/26 LTP	2025/26 Annual Plan	Variance to LTP
	$000's	$000's	$000's
Equity - opening balances			
Accumulated funds and retained earnings	5,195,111	5,182,866	(12,245)
Revaluation reserves	5,031,193	5,198,065	166,872
Hedging reserve	73,180	65,326	(7,854)
Fair value through other comprehensive revenue and expense reserve	6,889	7,330	441
Restricted funds	19,154	16,921	(2,233)
Total Equity - opening balances	**10,325,527**	**10,470,508**	**144,981**
Changes in Equity			
Retained earnings			
Net surplus/(deficit) for the year	141,069	76,611	(64,458)
Transfer to restricted funds	(3,547)	(3,546)	1
Transfer from restricted funds	3,543	3,543	-
Transfer from revaluation reserves	-	-	-
Transfer to revaluation reserves	-	-	-
Revaluation reserves			
Fair value movement - property, plant and equipment - net	219,263	210,698	(8,565)
Transfer to retained earnings	-	-	-
Hedging reserve			
Movement in hedging reserve	-	-	-
Fair value through other comprehensive revenue and expense reserve			
Movement in fair value	-	-	-
Restricted Funds			
Transfer to retained earnings	(3,543)	(3,543)	-
Transfer from retained earnings	3,547	3,546	(1)
Total comprehensive revenue and expense	**360,332**	**287,309**	**(73,023)**
Net Equity - Closing Balances			
Accumulated funds and retained earnings	5,336,176	5,259,474	(76,702)
Revaluation reserves	5,250,456	5,408,763	158,307
Hedging reserve	73,180	65,326	(7,854)
Fair value through other comprehensive revenue and expense reserve	6,889	7,330	441
Restricted funds	19,158	16,924	(2,234)
Total Equity - closing balances	**10,685,859**	**10,757,817**	**71,958**

Prospective Statement of Cash Flows - Wellington City Council

	2025/26 LTP	2025/26 Annual Plan	Variance to LTP
	$000's	$000's	$000's
Cash flows from operating activities			
Receipts from rates - Council	631,011	636,608	5,597
Receipts from rates - Greater Wellington Regional Council	132,512	152,869	20,357
Receipts from rates - Sludge Levy	15,781	15,781	-
Receipts from activities and other income	198,324	198,149	(175)
Receipts from grants and subsidies - operating	16,388	15,928	(460)
Receipts from grants and subsidies - capital	210,730	193,717	(17,013)
Receipts from investment property lease rentals	11,710	11,448	(262)
Cash paid to suppliers and employees	(579,740)	(639,082)	(59,342)
Rates paid to Greater Wellington Regional Council	(132,512)	(152,869)	(20,357)
Rates paid to Sludge Finance LP	(15,781)	(15,781)	-
Grants paid	(61,677)	(61,757)	(80)
Net cash flows from operating activities	**426,746**	**355,011**	**(71,735)**
Cash flows from investing activities			
Dividends received	15,009	14,600	(409)
Interest received	102	36	(66)
Proceeds from sale of investment properties	-	80,365	80,365
Proceeds from sale of intangibles	-	-	-
Proceeds from sale of property, plant and equipment	5,620	5,370	(250)
Proceeds from sale of other Financial Assets	-	191,500	191,500
Purchase of other Financial Assets	(9,082)	(248,615)	(239,533)
Purchase of intangibles	(599,536)	(11,286)	588,250
Purchase of property, plant and equipment	-	(661,393)	(661,393)
Purchase of Equity investments	-	-	-
Net cash flows from investing activities	**(587,887)**	**(629,423)**	**(41,536)**
Cash flows from financing activities			
New borrowings	494,537	578,447	83,910
Repayment of borrowings	(256,500)	(257,500)	(1,000)
Interest paid on borrowings	(74,702)	(71,933)	2,769
Net cash flows from financing activities	**163,335**	**249,014**	**85,679**
Net increase/(decrease) in cash and cash equivalents	2,194	(25,398)	(27,592)
Cash and cash equivalents at beginning of year	41,916	67,455	25,539
Cash and cash equivalents at end of year	**44,110**	**42,057**	**(2,053)**

Prospective Statement of Changes in Restricted / Reserve Funds - Wellington City Council

	Opening balance	Deposits	Expenditure	Closing balance	
	2024/25			2033/34	
	$000	$000	$000	$000	Purpose
Special reserves and funds					
Reserve purchase and development fund	756	-	-	756	
City growth fund	908	20,070	(20,070)	908	
Insurance reserve	14,713	16,645	(16,645)	14,713	Allows the Council to meet the uninsured portion of insurance claims
Total special reserves and funds	**16,377**	**36,715**	**(36,715)**	**16,377**	
Trusts and bequests	518	209	(150)	577	
Total restricted funds	**16,895**	**36,924**	**(36,865)**	**16,954**	

FUNDING IMPACT STATEMENT
FOR WHOLE OF COUNCIL

	2024/25	2025/26	
	LTP	LTP Amendment	Variance
	$000s	$000s	$000s
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	329,612	371,362	41,750
Targeted rates (other than a targeted rate for water supply)	236,104	268,020	31,916
Subsidies and grants for operating purposes	18,062	15,928	(2,134)
Fees and charges	191,732	197,077	5,345
Interest and dividends from investments	10,500	14,636	4,136
Local authorities fuel tax, fines, infringement fees, and other receipts	10,750	9,879	(871)
			0
Total operating funding (A)	**796,761**	**876,903**	**80,142**
			0
Applications of operating funding			0.00
Payments to staff and suppliers	560,934	610,438	49,504
Finance costs	72,264	71,933	(331)
Other operating funding applications	56,944	61,805	4,860
			0
			0
Total applications of operating funding (B)	**690,143**	**744,175**	**54,033**
			0
Surplus (deficit) of operating funding (A-B)	**106,618**	**132,728**	**26,109**
			0
Sources of capital funding			0.00
Subsidies and grants for capital expenditure	185,103	190,217	5,114
Development and financial contributions	3,500	3,500	0
Increase (decrease) in debt	376,222	206,924	(169,298)
Gross proceeds from sales of assets	23,410	85,735	62,325
Lump sum contributions	0	0	0
			0
Total sources of capital funding (C)	**588,235**	**486,376**	**(101,859)**
			0
Applications of capital funding			0.00
Capital expenditure			0.00
- to meet additional demand	72,089	9,965	(62,124)
- to improve level of service	361,135	392,231	31,096
- to replace existing assets	261,630	213,941	(47,688)
Increase (decrease) in reserves	(0)	2,967	2,967
Increase (decrease) in investments	0	0	0
			0
Total applications of capital funding (D)	**694,853**	**619,104**	**(75,749)**
			0
Surplus (deficit) of capital funding (C-D)	**(106,618)**	**(132,728)**	**(26,109)**
			0
Funding balance ((A-B) + (C-D))	**0**	**0**	**0**
			0
Expenses for this activity grouping include the following depreciation/amortisation charge			
	222,314	255,922	33,607

List of fees and proposed fee changes (Note: Fees are inclusive of GST)

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
2.1.1 Parks and Reserves	TTEPP - Application fee for all Activities	195.00	200.00
	TTEPP - Annual license/permit renewal fee	105.00	110.00
	TTEPP - Commercial activities at non-listed site (Application fee)	1,575.00	1,620.00
	TTEPP - Late notice applications	315.00	325.00
	TTEPP - Park/Reserve/Open Space daily booking fee	63.00	65.00
	TTEPP - Commercial or private event < 250 people/day	367.50	380.00
	TTEPP - Commercial or private event 250 - 1,000 people/day	672.00	700.00
	TTEPP - Commercial or private event 1,000 - 5,000 people/day	1,600.00	1,650.00
	TTEPP - Commercial Filming <2 hrs	150.00	155.00
	TTEPP - Commercial Filming 2-4 hrs	294.00	300.00
	TTEPP - Commercial Filming 4-6 hrs	320.00	330.00
	TTEPP - Commercial Filming full day	451.50	465.00
	TTEPP - Commercial Photography (landscape only) annual fee	840.00	865.00
	TTEPP - Commercial Photography/day	157.50	162.00
	TTEPP - Group fitness classes/day	52.50	55.00
	TTEPP - Temporary trading site (non-powered)/day	36.75	38.00
	TTEPP - Temporary trading site (powered)/day	42.00	43.50
	TTEPP - Marquee Booking Fee (non-refundable)	95.00	98.00
	TTEPP - Marquee up to 50m2/day	620.00	640.00
	TTEPP - Marquee up to 100m2/day	1,020.00	1,050.00
	TTEPP - Marquee > 100m2/day	1,575.00	1,600.00
	TTEPP - Blue tooth Lock administration	35.00	36.00
	Parks Depot - Replacement Key	60.00	60.00
	Picnic Kit	20.00	20.00
	TTEPP - Officer time/hour	135.00	140.00
	TTEPP - Ranger assistance/hour	100.00	105.00
	Ecology Officer/hour (land owner approvals)	NEW	180.00
	Landowner approval & Heli work application fee - one-off, low impact	50.00	50.00
	Landowner approval & Heli work application fee - multi-day, med/high impact	195.00	200.00
2.1.2 Wellington Gardens	Discovery Garden - Lotions & Potions Space Hourly Rate	110.00	113.00
	Discovery Garden Pavilion Full day	555.00	572.00
	Discovery Garden Pavilion Half day	330.00	340.00
	Discovery Garden Pavilion Hourly rate	110.00	113.00
	Leonard Cockayne Centre Groups <12 Full day	555.00	572.00
	Leonard Cockayne Centre Groups <12 Half day	330.00	340.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Leonard Cockayne Centre Groups >12 Full day	666.00	686.00
	Leonard Cockayne Centre Groups >12 Half day	440.00	453.00
	Leonard Cockayne Centre Hourly rate	110.00	113.00
	Leonard Cockayne Lawn Hourly rate	110.00	113.00
	Cancellation fee - Leonard Cockayne Centre	100.00	103.00
	Otari-Wilton's Bush Information Centre Hourly rate	110.00	113.00
	Otari-Wilton's Bush Meeting Room Hourly rate	60.00	62.00
	The Dell - Kitchen Access	110.00	113.00
	The Soundshell (stage with power)	110.00	113.00
	Treehouse Seminar Room Coffee Machine Full Day	8.00	10.00
	Treehouse Seminar Room Coffee Machine Half Day	5.75	6.00
	Treehouse Seminar Room Colour printing/page	1.50	2.00
	Treehouse Seminar Room Groups <12 Full day	555.00	570.00
	Treehouse Seminar Room Groups <12 Half day	330.00	340.00
	Treehouse Seminar Room Groups >12 Full day	666.00	685.00
	Treehouse Seminar Room Groups >12 Half day	440.00	453.00
	Treehouse Seminar Room Hourly rate	110.00	113.00
	Cancellation fee - Treehouse seminar room	100.00	103.00
	Troupe Picnic Lawn (inc BBQ) Hourly Rate	110.00	113.00
	Wellington Gardens (staff member)	34.00	55.00
	Wellington Gardens - Projector/AV/Screen Hire - half day	55.00	57.00
	Wellington Gardens - Projector/AV/Screen Hire	105.00	108.00
	Wellington Gardens Cleaning Fee	110.00	113.00
	Wellington Gardens Commercial Film & photography up to 1 hour	170.00	175.00
	Wellington Gardens Commercial Film & photography 1 - 3 hours	320.00	330.00
	Wellington Gardens Commercial Film & photography 3-6 hours	455.00	470.00
	Wellington Gardens Commercial Film & photography full day 8 hours	1,000.00	1,030.00
	Wellington Gardens Rose Garden Commercial Photography up to 1 hour	235.00	242.00
	Wellington Gardens Rose Garden Commercial Photography 1 - 4 hours	580.00	597.00
	Wellington Gardens Rose Garden Commercial Photography full day 8 hours	640.00	659.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Wellington Gardens Community rate (all facilities)	44.00	45.00
	Wellington Gardens Hourly rate	110.00	113.00
	Wellington Gardens Large Scale Shutting Garden Areas	1,600.00	1,650.00
	Wellington Gardens Wedding Photos	110.00	113.00
	Sexton's Cottage - Clean	150.00	155.00
	Sexton's Cottage (weekly hire)	525.00	540.00
	Sexton's Cottage (nightly hire)	225.00	232.00
	Exhibition Admin Fee	150.00	155.00
2.1.6 Waterfront	Harbourside Market Monthly Fee Small Unpowered	199.50	205.00
	Harbourside Market Monthly Fee Medium Unpowered	278.25	285.00
	Harbourside Market Monthly Fee Large Unpowered	1,186.50	1,220.00
	Harbourside Market Monthly Fee Small Powered	236.25	242.00
	Harbourside Market Monthly Fee Medium Powered	330.75	340.00
	Waterfront Food Trucks Daily Unpowered	57.75	57.75
	Waterfront Food Trucks Daily Powered	63.00	63.00
	Waterfront Berth - Day - under 15 metres	63.00	65.00
	Waterfront Berth - Day - 15 to 20 metres	94.50	97.30
	Waterfront Berth - Day - 20 to 25 metres	115.50	119.00
	Waterfront Berth - Day - 25 to 30 metres	126.00	130.00
	Waterfront Berth - Day - 30 to 40 metres	136.50	140.50
	Waterfront Berth - Month - under 15 metres	800.00	824.00
	Waterfront Berth - Month - 15 to 20 metres	1,067.30	1,100.00
	Waterfront Berth - Month - 20 to 25 metres	1,132.00	1,165.00
	Waterfront Berth - Month - 25 to 30 metres	1,434.30	1,475.00
	Waterfront Berth - Month - 30 to 40 metres	2,122.05	2,185.00
	Waterfront Berth - Yearly - under 15 metres	9,599.00	9,885.00
	Waterfront Berth - Yearly - 15 - 20 metres	12,811.00	13,195.00
	Waterfront Berth - Yearly - 20 - 25 metres	13,589.10	13,995.00
	Waterfront Berth - Yearly - 25 - 30 metres	17,214.75	17,730.00
	Waterfront Berth - Yearly - 30 - 40 metres	25,469.85	26,230.00
	Waterfront Berth - Yearly - over 40 metres	25,469.85	26,230.00
	Annual license/permit renewal fee	105.00	110.00
	Application fee (All activities)	195.00	200.00
	Waterfront - Keys/Cards charge/replacement	26.25	27.00
	Waterfront - Admin Fee/Officer assistance/hr	NEW	100.00
	Outdoor Dining Licence Fee/m2	90.00	95.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Advertising/Billboard space/m2 per week	250.00	255.00
	Temporary Event Storage charge/daily	100.00	100.00
	Container placement 10ft/day	NEW	100.00
	Container placement 20ft/day	NEW	175.00
	Container placement 40ft/day	NEW	200.00
	Commercial Filming <2 hrs	NEW	150.00
	Commercial Filming (2-4 hrs)	NEW	294.00
	Commercial filming 4-6hr	NEW	500.00
	Commercial filming Full day	NEW	1,000.00
2.2.1 Waste Minimisation	General waste per tonne - Commercial	252.44	267.38
	General waste per tonne - Domestic	287.00	304.30
	General waste - Minimum charge for private cars, commercial trailers, domestic trailers, vans and utilities	20.00	30.00
	Green Waste	103.50	115.00
	Green waste - Minimum charge for private cars, commercial trailers, domestic trailers, vans and utilities	5.00	10.00
	Sewerage Sludge	333.50	356.50
	Special waste -asbestos	332.35	350.75
	Special waste -other	287.50	304.75
	Contaminated Soil	252.44	267.38
	Rubbish bags (RRP each)	3.60	3.71
	Domestic Cleanfill	84.00	89.80
	Kai to Compost	103.50	115.00
5.1.1 Swimming Pools	Adult Spa (Karori Pool)	5.70	5.80
	Adult Spa (Tawa/Thorndon)	5.20	5.30
	Adult Swim & Spa (Karori Pool)	9.90	10.00
	Adult Swim & Spa (Tawa/Thorndon Pool)	9.40	9.50
	Adult Swim	7.20	7.20
	Adult Swim Concession Pass (10 trip)	64.80	64.80
	Airline/Police Test	21.00	21.60
	All Pools Adult Spa/Sauna Concession Pass (10 Trip)	61.20	63.00
	All Pools Adult Spa/Sauna Top Up	3.80	4.00
	All Pools Adult Swim & Spa/Sauna Combo	11.00	11.20
	All Pools Adult Swim & Spa/Sauna Combo Concession Pass (10 trip)	99.00	100.80
	All Pools Adults Spa/Sauna	6.80	7.00
	Aqua Fitness Casual Entry	8.50	8.70
	Aqua Fitness Convenience Pass (10 trip)	85.00	87.00
	Aquatic Activity Instructor (schools)	40.00	51.50
	Child Spa	3.20	3.30
	Child Spa Concession Pass (10 trip)	28.80	29.70
	Child Swim	4.00	4.20
	Child Swim - 12 Days of Christmas Special	1.80	1.80
	SwimWell Child Spa Top Up	1.70	1.80

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Child Swim / Spa Combo	5.70	6.00
	Child Swim / Spa Combo Concession Pass (10 Trip)	51.30	54.00
	Freyberg - Aerobics Room - Commercial	63.00	65.00
	Family Pass	18.00	18.50
	Freyberg - Aerobics Room - NC	22.50	23.00
	Freyberg - PST 1 child	10.00	10.50
	Freyberg - PST 2 child	15.00	15.50
	Freyberg - PST 3 child	14.30	14.50
	Freyberg - PST 1 adult	15.00	15.50
	Freyberg - PST 2 adult	20.00	20.50
	Freyberg - Steamroom Concession Pass (10 Trip)	46.80	47.70
	Freyberg Consulting Room	19.50	20.00
	Freyberg Steamroom	5.20	5.30
	Group Fitness Land Based Casual Entry	16.00	16.50
	Group Fitness Land Based Concession Pass (10 trip)	144.00	148.50
	Inflatable Pools (Karori & Keith Spry)	75.00	77.00
	Karori Pool - Spa & Swim Concession Pass (10 Trip)	89.10	90.00
	Karori Pool - Spa Concession Pass (10 Trip)	51.30	52.20
	Pools - BBQ	31.50	32.50
	Pools - Hydroslide Hire	26.00	27.00
	Pools - Kayak Hire Per Hour	37.00	38.00
	Pools - KSP Dive Well	18.00	18.50
	Pools - KSP Dive Well Commercial	63.00	65.00
	Pools - Lane Hire 25m	10.50	10.80
	Pools - Lane Hire 25m Commercial	33.00	34.00
	Pools - Lane Hire Half 25m	6.00	6.20
	Pools - Lane Hire Half 25m Commercial	16.50	17.00
	Pools - Lifeguard (per hour)	50.00	51.50
	Pools - Meeting Room	31.50	32.00
	Pools - Meeting Room Commercial	63.00	65.00
	Pools - Meeting Room Small	11.50	12.00
	Pools - Meeting Room Small Commercial	23.00	24.00
	Pools - Meeting Room WRAC Top Deck	8.00	8.20
	Pools - Meeting Room WRAC Top Deck Commercial	21.00	21.60
	Pools - Tables & Chairs	21.00	21.60
	Pools - Tawa Learners Pool (per hour)	30.00	31.00
	Pools - Tawa Pool whole	65.00	67.00
	Pools - Teaching/Learners Pool hire (per hour)	30.00	31.00
	Pools - Whole (excl WRAC)	95.00	98.00
	Pools - Whole (excl WRAC) Commercial	210.00	215.00
	Pools - WRAC 1.2m Section	63.00	65.00
	Pools - WRAC 1.2m Section Commercial	205.00	210.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Pools - WRAC 25m Section	95.00	98.00
	Pools - WRAC 25m Section Commercial	315.00	325.00
	Pools - WRAC 50m Section	190.00	195.00
	Pools - WRAC 50m Section Commercial	630.00	650.00
	Pools - WRAC 5m Section	65.00	67.00
	Pools - WRAC 5m Section Commercial	160.00	165.00
	Pools - WRAC Canoepolo 35m Section	160.00	165.00
	Pools - WRAC Canoepolo 35m Section Commercial	315.00	325.00
	Pools - WRAC Half 5m	32.00	33.00
	Pools - WRAC Half 5m Commercial	95.00	98.00
	Pools - WRAC Hydro Lane Hire	10.50	10.80
	Pools - WRAC Hydro Lane Hire Commercial	31.50	34.00
	Pools - WRAC Hydro Whole	45.00	46.50
	Pools - WRAC Hydro Whole Commercial	130.00	134.00
	Pools - WRAC Juniors	26.50	27.20
	Pools - WRAC Juniors Commercial	105.00	108.00
	Pools - WRAC Lane Hire 16m	6.50	6.70
	Pools - WRAC Lane Hire 16m Commercial	21.00	22.00
	Pools - WRAC Lane Hire 50m	21.00	22.00
	Pools - WRAC Lane Hire 50m Commercial	63.00	65.00
	Pools - WRAC Programmes	95.00	98.00
	Pools - WRAC Programmes Commercial	315.00	325.00
	Pools - WRAC Small 2m pool whole	40.00	41.00
	Pools - WRAC Spray Deep	85.00	87.50
	Pools - WRAC Spray Deep Commercial	210.00	215.00
	Pools - WRAC Spray Shallow	26.50	27.20
	Pools - WRAC Spray Shallow Commercial	105.00	110.00
	Pools - WRAC Spray Whole	105.00	110.00
	Pools - WRAC Spray Whole Commercial	315.00	325.00
	Pools - WRAC Waterpolo 25m Section	95.00	98.00
	Pools - WRAC Waterpolo 25m Section Commercial	315.00	325.00
	Pools - WRAC Waterpolo 30m Section	160.00	165.00
	Pools - WRAC Waterpolo 30m Section Commercial	315.00	325.00
	Thorndon - 2 hours 0 - 25 people	270.00	278.00
	Thorndon - 2 hours 26 - 50 people	315.00	325.00
	Thorndon - 2 hours 50 - 100 people	390.00	400.00
	Thorndon & Tawa - Spa & Swim Combo Concession Pass (10 Trip)	84.60	85.50
	Thorndon & Tawa - Spa Concession Pass (10 Trip)	46.80	47.70
	WRAC - Competition Start Box	26.00	26.50
	WRAC - Spin Concession (10 Trip)	162.00	166.5
	WRAC - Deep Tidal	26.00	26.50

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	WRAC - Events Office	12.00	12.50
	WRAC - Inflatable	95.00	98.00
	WRAC - Kitchen	12.00	12.50
	WRAC - Lifeguard Commercial	95.00	98.00
	WRAC - Lifeguard Non-Commercial	50.00	51.50
	WRAC - Merchandise/Promotion Rental (per day)	550.00	565.00
	WRAC - Scoreboard/Big Screen	150.00	155.00
	WRAC - Set up & Set down whole 25m Commercial	380.00	390.00
	WRAC - Set up & Set down whole 25m NC	165.00	170.00
	WRAC - Set up & Set down whole 30m Commercial	380.00	390.00
	WRAC - Set up & Set down whole 30m NC	165.00	170.00
	WRAC - Set up & Set down whole 5 or 2m Commercial	315.00	325.00
	WRAC - Set up & Set down whole 5 or 2m NC	125.00	130.00
	WRAC - Set up & Set down whole 50m Commercial	525.00	540.00
	WRAC - Set up & Set down whole 50m NC	250.00	260.00
	WRAC - Small Inflatable	50.00	51.50
	WRAC - Sound System / Underwater speakers	190.00	195.00
	WRAC - Sound System 1/2 day	95.00	98.00
	WRAC - Swim Sport Start Box	15.00	15.50
	WRAC - Timing Equipment	275.00	285.00
	WRAC - Top Deck South End	12.00	12.50
	WRAC - Water Testing (Per day)	30.00	31.00
	SwimWell - Adapted lessons	21.50	22.00
	SwimWell - Adult	16.50	17.50
	SwimWell - Adult Squad	18.00	19.00
	SwimWell - Advanced Shark Clinic HP	18.00	19.00
	SwimWell - Infant	14.50	15.50
	SwimWell - Infant HP	14.50	15.50
	SwimWell - Mini Squad	17.00	18.00
	SwimWell - Preschool	14.50	15.50
	SwimWell - Preschool HP	14.50	15.50
	SwimWell - Preschool HP (Half Price)	7.25	7.75
	SwimWell - Private Lesson (1 child)	67.00	72.00
	SwimWell - Private Lesson (2nd Additional Child)	33.50	35.00
	SwimWell - Private Lesson (45mins)	100.50	110.00
	SwimWell - School Age	16.50	17.50
	SwimWell - School Age HP	16.50	17.50
	SwimWell - School Age HP (Half Price)	8.25	8.75
	SwimWell - Silver & Gold Shark (Shark Clinic)	17.00	18.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	SwimWell - Squad (Advanced Sharks)	18.00	19.00
	SwimWell School Swim	1.90	1.95
	Schools Instructor (per hour)	40.00	51.50
	Spin - Casual	18.00	18.50
	WRAC - Spin Concession Pass (10 Trip)	162.00	166.50
	Swim Membership Aquatic Club Member Child - Direct Debit (Fortnightly)	15.27	15.73
	Swim Membership Aquatic Club Member Child - Direct Debit (Monthly)	33.08	34.00
	Swim Membership Aquatic Club Member Child - Upfront (Yearly)	396.95	408.85
	Swim Membership Child - Direct Debit (Fortnightly)	17.96	18.50
	Swim Membership Child - Direct Debit (Monthly)	38.92	40.00
	Swim Membership Child - Upfront (Yearly)	467.00	481.00
	Tawa - Adult Offpeak Swim	3.50	3.60
	Tawa Pool - Inflatable	70.00	72.00
	Tawa Pool Offpeak Adult Swim Concession Pass (10 trip)	35.00	36.00
	Tawa Toddler Day	1.20	1.50
	Temporary Event Storage of Equipment	50.00	51.50
5.1.2 Sports Fields	Training Ground only 1 night	112.75	118.00
	Training Ground only 1 night (season)	430.50	452.00
	Training Ground only 2 nights (season)	820.00	860.00
	Training Ground only 3 nights (season)	1,230.00	1,295.00
	Training Ground only 4 nights (season)	1,599.00	1,680.00
	Training Ground only 5 nights (season)	1,968.00	2,065.00
	Training Ground & Changing Rooms 1 night	215.25	225.00
	Training Ground & Changing Rooms 1 night (season)	902.00	945.00
	Training Ground & Changing Rooms 2 nights (season)	1,742.50	1,830.00
	Training Ground & Changing Rooms 3 nights (season)	2,644.50	2,775.00
	Training Ground & Changing Rooms 4 nights (season)	3,510.63	3,685.00
	Training Ground & Changing Rooms 5 nights (season)	4,381.88	4,600.00
	Premier Field & Changing Rooms (Training) 1 night	NEW	280.00
	Premier Field & Changing Rooms (Training) 1 night (season)	NEW	1,175.00
	Premier Field & Changing Rooms (Training) 2 nights (season)	NEW	2,350.00
	Premier Field & Changing Rooms (Training) 3 nights (season)	NEW	3,525.00
	Premier Field & Changing Rooms (Training) 4 nights (season)	NEW	4,700.00
	Premier Field & Changing Rooms (Training) 5 nights (season)	NEW	5,875.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Toilets & Changing Rooms only Open	92.25	96.00
	Toilets Open	43.05	45.00
	Athletics (Senior) Casual	699.56	735.00
	Athletics (College) Casual	349.78	365.00
	Athletics (Primary/Intermediate) Casual	60.00	63.00
	Athletics Seasonal	11,275.00	11,830.00
	Athletics WRFU Speed Trials	147.60	155.00
	Newtown Park Function Room (commercial)/Per Hour	65.00	70.00
	Newtown Park Function Room (Primary/Intermediate)/Per Hour	20.00	21.00
	Cricket Casual Artificial (Concrete Base)	179.38	188.00
	Cricket Casual Artificial (Grass Base)	179.38	188.00
	Cricket Casual Level 1 (new strip)	410.00	430.00
	Cricket Casual Level 2 (re-used strip)	275.52	290.00
	Cricket Seasonal Artificial (Concrete Base)	1,024.98	1,075.00
	Cricket Seasonal Artificial (Grass Base)	809.60	850.00
	Cricket Seasonal Level 1	3,228.72	3,390.00
	Cricket Seasonal Level 2	2,690.60	2,825.00
	Cricket Seasonal Level 3	1,499.08	1,575.00
	Croquet Casual (per lawn)	189.63	200.00
	Croquet Seasonal (per lawn)	914.76	960.00
	Cycling Casual	189.63	200.00
	Cycling Seasonal	1,896.18	1,990.00
	Softball Casual Level 1 (Lime)	189.63	200.00
	Softball Casual Level 2 (Grass)	138.38	145.00
	Softball Seasonal Level 1 (Lime)	839.52	880.00
	Softball Seasonal Level 2 (Grass)	559.68	585.00
	Tennis Casual	48.42	50.00
	Tennis Off-season or organised	20.50	21.50
	Tennis per season (per court)	215.38	225.00
	Touch, 5-a-side, Ultimate, Gridiron Casual Level 1	204.49	215.00
	Touch, 5-a-side, Ultimate, Gridiron Casual Level 2	164.00	170.00
	Touch, 5-a-side, Ultimate, Gridiron Seasonal Level 1	1,721.94	1,810.00
	Touch, 5-a-side, Ultimate, Gridiron Seasonal Level 2	1,291.40	1,350.00
	Volleyball/Handball (sand court) Casual	47.25	50.00
	Volleyball/Handball (sand court) Off-season or organised	15.00	15.75
	Volleyball/Handball (sand court) per season	161.48	200.00
	Rugby, League, Football, Aussie Rules Casual Level 1	153.75	160.00
	Rugby, League, Football, Aussie Rules Casual Level 2	118.39	125.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Rugby, League, Football, Aussie Rules Casual Level 3	91.23	95.00
	Rugby, League, Football, Aussie Rules Seasonal Level 1	2,609.86	2,740.00
	Rugby, League, Football, Aussie Rules Seasonal Level 2	1,749.00	1,830.00
	Rugby, League, Football, Aussie Rules Seasonal Level 3	1,399.20	1,470.00
	Netball Casual (per court)	48.43	50.00
	Netball Off-season or organised (per court)	15.38	15.75
	Netball per season (per court)	161.48	200.00
	Premier Grounds (daily rate 4+ hours)	699.56	735.00
	Premier Grounds (hourly rate)	NEW	100.00
	National Hockey Stadium	36,210.00	38,000.00
	Senior Turf Hire - Peak	82.50	86.50
	Senior Turf Hire - Off Peak	52.00	54.50
	Senior Turf Hire x2 (Wakefield)	165.00	173.00
	Junior/College Turf Hire	40.00	42.00
	Junior/College Turf Hire x2 (Wakefield)	80.00	84.00
	Turf Tournament/Event Daily Rate	825.00	865.00
	Senior Turf Hire (Nairnville/Terawhiti) - Peak (per hour)	56.50	59.30
	Senior Turf Hire (Nairnville/Terawhiti) - Off Peak (per hour)	34.50	36.20
	Junior/College Turf Hire (Nairnville/Terawhiti) (per hour)	28.00	29.40
	Groundsman - hourly rate (minimum 2 hours)	54.00	60.00
	Tournament Base fee - field/day	348.50	365.00
	Use of outdoor training lights per field seasonal booking	NEW	552.00
	Use of outdoor training lights per field single booking	NEW	37.00
	Newtown Park Pedestrian Swipe Access	25.00	26.50
	Rangimarie Tennis Key	25.00	26.50
5.1.4 Recreation Centre	Ākau Tangi - 30 mins Hot/Cold Bath Hire	31.50	32.50
	Ākau Tangi - Concession Pass Adult (20 Trip)	81.00	82.80
	Ākau Tangi - Concession Pass Child (20 Trip)	54.00	54.00
	Ākau Tangi - Concession Pass Have A Go (10 Trip)	45.00	49.50
	Ākau Tangi - Extra Staff	50.00	51.50
	Ākau Tangi - Flipchart/Whiteboard	26.50	27.50
	Ākau Tangi - Have A Go	5.00	5.50
	Ākau Tangi - Internet Fee	35.00	36.00
	Ākau Tangi - Large Whiteboard Flat Fee	26.50	27.50
	Ākau Tangi - Lectern	26.50	27.50
	Ākau Tangi - PA System	26.50	27.50
	Ākau Tangi - Programme Tutor	50.00	51.50
	Ākau Tangi - School Session (30 min)	38.00	40.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Ākau Tangi - School Session (40min)	55.00	57.00
	Ākau Tangi - Small Seating Unit (Per day)	120.00	125.00
	Ākau Tangi - Storage	31.50	33.00
	Birthday Parties ĀTSC Big Bounce	220.00	225.00
	Birthday Parties ĀTSC Mini Bounce	168.00	172.00
	Birthday Parties ĀTSC Sporty Kids (13 - 24 children)	160.00	165.00
	Birthday Parties ĀTSC Sporty Kids (up to 12 children)	115.00	120.00
	Birthday Parties KIRC Private Hire	160.00	165.00
	Birthday Parties KIRC Tinytown (up to 20 children)	160.00	165.00
	Birthday Parties KIRC Wheels (up to 20 children)	170.00	175.00
	Birthday Parties Preschool (2 tutors - 12 children)	210.00	215.00
	Birthday Parties Preschool (3 tutors- 18 children)	250.00	258.00
	Birthday Parties Preschool (4 tutors - 24 children)	295.00	305.00
	Birthday Parties Preschool (Baby Jam) (0 tutors -18 children)	95.00	98.00
	Birthday Parties School Age (1 tutor - 12 children)	160.00	165.00
	Birthday Parties School Age (2 tutors - 24 children)	210.00	215.00
	Birthday Parties School Age (3 tutors - 36 children)	250.00	258.00
	Birthday Parties School Age (4 tutors - 48 children)	295.00	305.00
	Extra Birthday Party Tutor	50.00	51.50
	Karori - Party 13-20 Children	75.00	78.00
	Karori - Party up to 12 Children	65.00	67.00
	Karori Rec - $50 Youth Centre Charge	50.00	51.50
	Inflatable Rec Centres (Karori, Kilbirnie, Tawa)	70.00	72.00
	Kilbirnie Rec - Chase-Tag Team Entry	20.00	20.50
	Kilbirnie Rec - Chase-Tag Team Entry (Season)	200.00	205.00
	Kilbirnie Rec - Disco Lights	42.00	43.00
	Kilbirnie Rec - Equipment Hire	20.00	21.00
	Kilbirnie Rec - Hire p/hour	85.00	87.50
	Kilbirnie Rec - Inflatable	70.00	330.00
	Kilbirnie Rec - Private Hire & Tinytown	320.00	51.50
	Kilbirnie Rec - Recreation Coordinator	50.00	13.50
	Kilbirnie Rec - Roller Disco Adult	13.00	16.50
	Kilbirnie Rec - Roller Disco Adult with Skate Hire	16.00	11.00
	Kilbirnie Rec - Roller Disco Child	10.50	13.50
	Kilbirnie Rec - Roller Disco Child with Skate Hire	13.00	43.00
	Kilbirnie Rec - Roller Disco Family Pass	36.50	38.50

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Kilbirnie Rec - Skate Hire	4.50	4.60
	Kilbirnie Rec - Skateboard Event	7.00	7.50
	Kilbirnie Rec - Storeroom Use	105.00	108.00
	Kilbirnie Rec - Tables & Chairs	12.00	12.50
	KIRC - Adult on Wheels	7.00	7.50
	KIRC - Adult on Wheels Pass (10 trip)	63.00	67.50
	KIRC - Badminton Pass (10 Trip)	24.30	27.00
	KIRC - Group Entry and Skate (Adult)	8.50	8.70
	KIRC - Group Entry and Skate (Child)	7.50	7.70
	KIRC - Skate Fit (own Skates) Pass (10 Trip)	99.00	101.70
	KIRC - Skate Fit Pass (10 Trip)	121.50	126.00
	KIRC - Skate Fit Untutored	6.50	6.60
	Mat Hire	11.00	11.50
	Nairnville Rec - Security Guard (min.3h)	50.00	51.50
	Nairnville Rec - Table Tennis 1hr	19.50	20.00
	Prog - Adult Activity	2.70	3.00
	Prog - Adult Programme Casual	14.50	15.00
	Prog - Adult Rec Programmes Pass 10 Visits	120.00	135.00
	Prog - Leagues Adult Badminton (half season)	120.00	125.00
	Prog - Leagues Adult Badminton/Indoor Football (Season)	350.00	360.00
	Prog - Leagues Adult Futsal (Season)	400.00	412.00
	Prog - Leagues ĀTSC Pickleball Box Challenge (2 weeks)	20.00	20.50
	Prog - Leagues Business House Indoor Football (BHIFL)	52.50	54.00
	Prog - Leagues Masters 3x3 Basketball (Season)	300.00	310.00
	Prog - Leagues Variety Sports (Season) NEW	300.00	310.00
	Prog - School Age Acro-Tumbling Karori	9.50	9.70
	Prog - Leagues Adult Basketball (Season)	850.00	750.00
	Prog - Te Reo Māori (Term fee)	100.00	103.00
	Prog - ĀTSC Home Education Casual	7.00	7.20
	Prog - ĀTSC Home Education Pass 10 Visits	63.00	64.80
	Prog - Nairnville Gymnastix Casual	13.00	13.50
	Prog - Parkour Adult/Advanced School Age	14.50	15.00
	Prog - Parkour School Age	12.50	13.00
	Prog - School Age Basketball Clinic Tawa/Nairnville	9.50	9.70
	Prog - School Age Basketball/Pickleball Clinic Karori	10.50	10.80
	Prog - School Age Gym for Fun	10.50	10.80
	Prog - School Age Gymnastics	11.50	11.80
	Prog - School Age Hip Hop	9.00	9.20

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Prog - School Age Junior Roller Derby (1hr)	13.50	13.90
	Prog - School Age Karate	11.50	11.80
	Prog - School Age KIRC Own Skates (Junior Roller Derby)	11.50	11.80
	Prog - School Age KIRC Own Skates (Rollerblade/roller-skate)	9.50	9.70
	Prog - School Age KIRC Rollerblade/Roller-skate/Skateboard	12.00	12.30
	Prog - School Age Netball Clinic Karori	10.00	10.30
	Prog - School Age Squash Skills	10.00	10.30
	Prog - School Age Volleyball Clinic (Nairnville)	9.50	9.70
	Prog - Skate Fit Casual	13.50	14.00
	Prog - Skate Fit Casual (own skates)	11.00	11.30
	Prog - Social Sports/Pickleball Casual	5.50	6.00
	Prog - Trial School Age Programme	13.00	13.30
	Prog - Ultimate Movement School Age	12.00	12.30
	Projector Daily Rate	105.00	108.00
	Projector Hourly Rate	21.00	21.50
	RC - Big Day Out	9.50	9.70
	RC - Building Leaders Programme ($9.50 p/c for 6 weeks)	11.00	11.30
	RC - Tournament	90.00	92.70
	Rec - 1/2 Gym Hire	34.00	35.00
	Rec - 1/2 Gym Hire off peak	17.00	17.50
	Rec - 1/4 Gym Hire	19.50	20.00
	Rec - 1/4 Gym Hire off peak	12.50	13.00
	Rec - Ākau Tangi Court Hire	67.00	69.00
	Rec - Ākau Tangi Half Court Hire	32.00	34.50
	Rec - Ākau Tangi Hall Hire	402.00	414.00
	Rec - Ākau Tangi Meeting Room Large	50.00	52.00
	Rec - Ākau Tangi Meeting Room Small	26.50	27.00
	Rec - Ākau Tangi Table Tennis	19.50	20.00
	Rec - ĀTSC Badminton/Pickleball/Spikeball	19.50	20.00
	Rec - ĀTSC Third Hall Hire	134.00	138.00
	Rec - ĀTSC Volleyball	44.80	46.00
	Rec - Concession Pass Social Sports/Pickleball (10 trip)	49.50	51.30
	Rec - Inflatable Day Tawa Rec	10.50	10.80
	Rec - Meeting Room Commercial	52.50	54.00
	Rec - Meeting Room Non Commercial	26.00	26.70
	Rec - Meeting Room Semi Commercial	36.50	37.50
	Rec - NRC Table Tennis	19.50	20.00
	Rec - Outreach Equipment Fee	30.00	30.50
	Rec - Outreach School Class	75.00	77.00
	Rec - School Class	60.00	61.80
	Rec - Squash Court	9.50	9.70
	Rec - Whole Gym Hire	65.00	70.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Rec - Whole Gym Hire Commercial	157.50	162.00
	Rec - Whole Gym Hire Off Peak	35.00	35.00
	Rec Centre - Additional Equipment Hire	31.50	32.50
	Rec Centre - Casual Adult	4.50	4.60
	Rec Centre - Casual Child	3.00	3.00
	Rec Centre - Kindy Visit (1 - 20 kids) per hour	75.00	77.00
	Rec Centre - Kindy Visit (20 - 30 kids) per hour	95.00	98.00
	Rec Centre - Kindy Visit (30 - 40 kids) per hour	110.00	113.30
	Rec Centre - Kindy Visit (40 - 50 kids) per hour	125.00	128.70
	Recreation Centre Casual Play Adult (10 trip)	40.50	41.40
	Recreation Centre Casual Play Child (10 Trip)	27.00	27.00
	Team Building Activity (per person)	4.20	4.30
	Prog - Leagues Adult Netball/Volleyball	650.00	670.00
	Prog - Leagues Kids Basketball (term)	350.00	360.00
	Prog - Leagues Kids Mini ball/Volleyball (term)	300.00	310.00
	Pickleball Paddle Hire (premium)	-	5.00
5.1.7 Marinas	Evans Bay Berth (annual)	3,688.70	3,799.30
	Evans Bay Berth (Sea Rescue Jetty) annual	2,168.30	2,233.30
	Evans Bay Boat Shed (8 to 11) annual	1,453.20	1,496.80
	Evans Bay Boat Shed (1 to 7, 12 to 32) annual	2,903.30	2,990.40
	Evans Bay Boat Shed (33 to 46) annual	4,344.90	4,475.20
	Evans Bay Dinghy Locker (annual)	433.70	446.70
	Evans Bay Live-Aboard fee (annual)	1,320.90	1,360.50
	Evans Bay Trailer Park (monthly)	164.90	169.85
	Evans Bay Non tenant use of breastwork	88.20	90.00
	Evans Bay Visitor Berth (daily)	36.00	40.00
	Boat Storage (abandoned boat/terminated licence)	NEW	40.00
	Clyde Quay Mooring (annual)	1,579.20	1,626.50
	Clyde Quay Boat Shed (1 to 13) (annual)	3,311.70	3,411.00
	Clyde Quay Boat Shed (14 to 27) (annual)	2,982.00	3,071.40
	Clyde Quay Boat Shed (28, 29) (annual)	4,140.20	4,264.40
	Clyde Quay Boat Shed (38B) (annual)	2,389.80	2,461.40
	Clyde Quay Boat Shed (38A to 42B, 48A, 48B) (annual)	3,431.40	3,534.30
	Clyde Quay Boat Shed (43A to 47B) (annual)	3,976.40	4,095.60
	Clyde Quay Dinghy Locker (annual)	276.20	284.40
	Clyde Quay Visitor berth (daily)	36.00	40.00
	Boat Pumpout Fee	367.50	378.53
	Officer time for service outside licence agreement	105.00	105.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Evans Bay Boat ramp parking/daily	10.00	10.00
5.2.5 Community Centres & Halls	Community Group	19.00	20.00
	Commercial Event	25.00	29.00
	Private Event	30.00	32.00
	Commercial private	42.00	50.00
	Ngaio Town Hall Community groups - one off booking	19.00	25.00
	Ngaio Town Hall Commercial - one off booking	25.00	35.00
	Venue security check fee	39.16	45.00
	Venue security call out	78.32	100.00
5.2.6 Cemeteries	01/2A Ash Plot	557.00	573.00
	01/2A Ash Plot Maintenance	171.00	176.00
	Arrangement Fee - No Funeral Director (Casket Interment/Cremation)	158.00	165.00
	Ash Beam - Plot, Beam, Maintenance	669.00	689.00
	Ash Collection Express - Overtime	226.00	233.00
	Ash Interment - Outside District	499.00	514.00
	Ash Interment - Overtime (Weekend)	242.00	249.00
	Ash Interment - Public Holiday Fee	526.00	542.00
	Ash Interment - Seaforth Plot	187.00	193.00
	Ash Interment - Soldiers Plot	182.00	187.00
	Ash Scatter	84.00	86.00
	Ash scatter outside district	48.00	49.00
	Ash Scatter - Overtime	225.00	233.00
	Copy of Ash Scatter - Unattended	84.00	86.00
	Ashes Interment	187.00	193.00
	Beam - Ash Beam	180.00	185.00
	Beam - Children	180.00	185.00
	Beam - Denominational/Lawn (Makara)	200.00	206.00
	Brass Council Engraved Plaque	675.00	695.00
	Bronze Lawn Plaque	1,328.00	1,172.00
	Bronze Memorial Only Niche Wall Plaque	328.00	380.00
	Bronze Memorial Plaque	475.00	489.00
	Bronze Memorial Plaque - Rose Garden/Seaforth	452.00	609.00
	Bronze Plaque - New Double Niche	832.00	857.00
	Bronze Plaque - New Single Niche	539.00	555.00
	Bronze Plaque - Old Single Niche	371.00	380.00
	Casket Interment - 0-12 months	124.00	128.00
	Casket Interment - 10 years and under	158.00	163.00
	Casket Interment - Denominational/Lawn	730.00	752.00
	Casket Interment - Indigent	221.00	228.00
	Casket Interment - Indigent (Outside District)	164.00	169.00
	Casket Interment - Natural Burial	1,113.00	1,146.00
	Casket Interment - Outside District	1,240.00	1,277.00
	Casket Interment - Overtime (Weekend)	730.00	752.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Casket Interment - Public Holiday Fee	1,050.00	1,085.00
	Casket Interment - Second Interment	1,250.00	1,287.00
	Casket Interment - Soldiers Plot	678.00	698.00
	Casket Interment - Stillborn	98.00	101.00
	Casket Interment (Infant) - Natural Burial	556.50	573.00
	Casket Interment After 3.15pm	237.50	245.00
	Cremation - Birth to 1 year	79.00	81.00
	Cremation - Committal Service	961.00	990.00
	Cremation - Delivery Only	840.00	865.00
	Cremation - Express Ash	225.00	232.00
	Cremation - Full Service	1,024.00	1,055.00
	Cremation - Indigent	128.00	132.00
	Cremation - Indigent (Outside District)	164.00	169.00
	Cremation - One to 10 years	216.00	222.00
	Cremation - Overtime (Weekend)	396.00	408.00
	Cremation - Public Holiday Fee	719.00	740.00
	Cremation - Stillborn	74.00	76.00
	Cremation - Viewing Casket Charge	100.00	103.00
	Cremation (Infant) - Public Holiday Fee	360.00	371.00
	Cremation After 3.15pm	237.00	244.00
	Chapel Hire - Casket Interment (Burials)	227.00	234.00
	Chapel Hire - Cremations elsewhere (1 Hr)	271.00	279.10
	Chapel Hire - Per 1/2 Hour	220.00	227.00
	Chapel Hire (per 1/2 hour) - After 3.15pm	225.00	232.00
	Chapel Hire (per 1/2 hour) - Overtime (Weekend)	235.00	242.00
	Chapel Hire - Full (See full service below)	440.00	453.00
	Disinterment - Ashes	318.00	327.00
	Disinterment - Casket	2,142.00	2,206.00
	Cleaning Chapels/Crematorium	56.00	58.00
	Concrete Breaking	237.00	244.00
	Concrete Cutting Floor	295.00	304.00
	Concrete Stand for Rosegarden size Plaque	56.00	58.00
	Core Drilling - Ash Interment	261.00	269.00
	Courier Fee	20.00	23.00
	Cremation - Bio/Tissue Delivery	741.00	763.00
	Cremation Certificate	58.00	60.00
	Deed Change	84.00	87.00
	Fee for Damage to Mats	271.00	279.00
	Film on Location Fee	116.00	119.00
	Foetal Tissue cremation	74.00	76.00
	Granite Book Seaforth (excl plaque)	402.00	414.00
	Granite Plaque for Book	402.00	414.00
	Grave Reuse - Per body	1,680.00	1,730.00
	High Pressure Cleaning	59.00	61.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Joint Interment	158.00	163.00
	Late Service Fee (All)	58.00	70.00
	Muslim Boards - Adult	203.00	209.00
	Muslim Boards - Infant	110.00	113.00
	New Ash Plots MÅkara	2,450.00	2,523.50
	Niche - Bronze New Double	1,278.00	1,316.00
	Niche - Bronze New Single	1,114.00	1,147.00
	Niche - Bronze Old Single	966.00	995.00
	Niche Placement/Removal (Ash)	187.00	192.00
	Penguin Book	26.00	27.00
	Permit - Non Compliance	81.00	83.00
	Permit Fee	102.00	105.00
	Permit Fee - Babies	59.00	61.00
	Permit Fee - Rose Garden or Seaforth Only	59.00	61.00
	Photo Request	16.00	16.00
	Plaque - Polish	37.00	38.00
	Plaque - Subsequent Inscription	261.00	269.00
	Plaque Placement / Removal	92.00	95.00
	Plot Extra Depth (per 300mm)	284.00	292.00
	Plot Extra Width (per 300mm)	215.00	221.00
	Plot Maintenance - Ash Beam/Ash Circle	180.00	185.00
	Plot Maintenance - Babies	287.00	296.00
	Plot Maintenance - Denominational	956.00	985.00
	Plot Maintenance - Lawn	645.00	664.00
	Plot Maintenance - Natural Burial	735.00	757.00
	Plot Maintenance (Infant) - Natural Burial	367.50	378.00
	Plot Purchase - Ash Beam	310.00	319.00
	Plot Purchase - Babies Lawn	407.00	419.00
	Plot Purchase - Denominational Areas	1,365.00	1,406.00
	Plot Purchase - Lawn	1,040.00	1,071.00
	Plot Purchase - Lawn Stillborn Area	47.00	48.00
	Plot Purchase - Natural Burial	1,586.00	1,633.00
	Plot Purchase - Seaforth Garden	1,103.00	1,136.00
	Plot Purchase (Infant) - Natural Burial	793.00	816.00
	Plot Purchase Garden - Memorial	585.00	602.00
	Plot Search Charge (first 3 free)	29.00	30.00
	Probe Plot for Depth	59.00	61.00
	Temporary Grave Marker	168.00	173.00
	Vault Placement/Removal	353.00	363.00
	Plastic Bud Vase	25.00	26.00
	Plastic urn	32.00	33.00
	Trumpet Vase	25.00	26.00
	Urn - Wooden Adult	165.00	173.00
	Urn - Wooden Half Adult Size	125.00	129.00
	Urn - Wooden Infant	70.00	72.00
	Urn - Wooden Oblong (Rectangular)	125.00	165.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Mem Book Entries (per line - up to 4 lines)	53.00	54.00
	Mem Book Entries (per line - up to 8 lines)	92.00	95.00
	Mem Book Entries (two lines - name, date of death, age)	105.00	108.00
5.3.3 Public Health Regulations	**Gambling Permission**		
	Initial application & renewal	158.50	161.50
	Health Licencing & Inspection		
	New food premises (1st yr set up)	193.00	197.00
	Pre-opening inspection (1 hour)	193.00	197.00
	Additional time per hour	193.00	197.00
	Verification fee - standard food control plan	642.00	786.00
	Verification fee - standard national programme	321.00	393.00
	Food control plan registration renewal fee (every year)	97.00	99.00
	National programme registration renewal fee (every second year)	97.00	99.00
	Significant changes	193.00	197.00
	Minor changes	97.00	99.00
	Voluntary suspension of operations	97.00	99.00
	Compliance Fees		
	Issue of enforcement notice	193.00	197.00
	Application for review of outcome	193.00	197.00
	Statement of compliance	97.00	99.00
	Additional charges for time spent on site (per hour)	193.00	197.00
	Temporary Licence		
	Temporary inspection fee for mobile food stalls, food stall fairs	187.00	190.50
	Annual Licence for registered premises		
	Animal boarding	330.00	336.50
	Camping grounds	330.00	336.50
	Hairdressers	167.00	170.50
	Mortuaries/Funeral Directors	198.00	202.00
	Annual Licence		
	Pools: commercial pools/spas	319.00	325.50
	Trade Waste associated with Food Licences		
	Application fee - consent fee	202.00	247.50
	Annual consent fee - High risk	2,421.50	2,470.00
	Annual consent fee - Medium risk	1,211.00	1,235.00
	Annual consent fee - Low risk	426.00	434.50
	Annual consent fee - Minimal risk	175.00	178.50
	Initial application fee - Grease and Grit traps	242.50	247.50

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Grease traps: big dipper or passive	175.00	178.50
	Shared grease trap (per premises)	90.00	92.00
	Grease converter	426.00	434.50
	Monitoring (laboratory) charges	Actual cost - varies	Actual cost - varies
	Collection & Transport of Trade Waste		
	Initial Application fee	204.00	208.00
	Charge after first hr (per hr)	173.00	176.50
	Annual Licence fee	242.50	247.50
	Processing fee (per hr or part thereof)	173.00	176.50
	Sewage collection & disposal network fees		
	Volume - Up to 100m3/day	0.44	0.45
	Volume - Between 100m3/day and 7000m3/day	0.20	0.20
	Volume - Above 7000m3/day	1.35	1.37
	BOD - Up to 3150kg/day	0.46	0.47
	BOD - Above 3150 kg/day	1.01	1.04
	Suspended Solids - Up to 1575kg/day	0.45	0.46
	Suspended Solids - Above 1575kg/day	0.81	0.82
	Litter Enforcement - Infringement fee for the disposal of waste on public or private land		
	Depositing litter of less than 1 litre		100.00
	Depositing litter from 1 to 20 litres		200.00
	Depositing litter from 20 to 120 litres		300.00
	Depositing litter of more than 120 litres		400.00
	Pavement / Footpath Permissions		
	Initial application	236.00	240.50
	Renewal	119.00	121.50
	Lease Fees - Central City (per m2)	113.00	115.50
	Lease Fees - Suburbs (per m2)	73.00	74.50
	Parklet permissions		
	Initial application	236.00	240.50
	Renewal	119.00	121.50
	Lease Fees - Central City (per m2)	New	115.50
	Lease Fees - Suburbs (per m2)	New	74.50
	Alcohol Licencing - New Applications and Renewals , On Off, Club		
	Very low risk	486.00	595.00
	Low risk	805.00	985.50
	Medium risk	1,078.00	1,319.50
	High risk	2,351.00	2,877.50
	Very high risk	3,594.00	4,399.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Alcohol Licencing - Special Licenses		
	Large event	759.00	929.00
	Medium event	273.00	334.00
	Small event	83.00	101.50
	Alcohol Licencing - Late Notice Waivers for Specials and Renewal Applications		
	11-20 working days before event	10% of fee	10% of fee
	10 working days or less	20% of fee	20% of fee
	Alcohol Licencing - Pre Application Meeting		
	First meeting	Free of charge	Free of charge
	Subsequent meetings per hour	100.00	122.50
	Alcohol Licencing - Annual fee for New Applications and Renewals , On, Off Club		
	Very low risk	213.00	260.50
	Low risk	516.00	631.50
	Medium risk	835.00	1,022.00
	High risk	2,366.00	2,896.00
	Very high risk	3,898.00	4,771.00
	Alcohol Licencing - Temporary Authority		
	Application fee	392.00	480.00
	Alcohol Licencing - Public Notices		
	Per notice	150.00	183.50
	Animal Control: Registration fees paid after 1 August - per animal		
	Entire	196.00	200.00
	Neutered /spayed (with proof)	142.00	145.00
	Permission to keep more than 3 dogs	41.00	42.00
	Working dogs	60.00	61.00
	Working dogs (puppies)	32.00	32.50
	Dangerous Dog Entire	294.00	300.00
	Dangerous Dog Desexed	213.00	217.50
	Entire	294.00	300.00
	Desexed	213.00	217.50
	Accredited Dog Owner Entire	294.00	300.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Accredited Dog Owner Desexed	213.00	217.50
	Working Dogs	90.00	92.00
	Dangerous Dog Entire	441.00	450.00
	Dangerous Dog Desexed	319.50	326.00
	Accredited Dog Owners		
	Accredited Dog Owner Application	139.00	142.00
	Accredited Dog Owner address change only	87.00	88.50
	Accredited Dog Owner annual registration	70.00	71.50
	Replacement of registration tag	14.00	14.25
	Puppies		
	Puppies born July to December	113.00	115.50
	Puppies born January to June	57.00	57.75
	Late registration - Puppies born July to December	213.00	217.50
	Late registration - Puppies born January to June	81.00	82.50
	Imported Dogs and Puppies		
	Desexed arrived July to December	113.00	145.00
	Desexed arrived January to June	43.00	72.50
	Entire arrived July to December	155.00	196.00
	Entire arrived January to June	59.00	98.00
	Adopted dogs and puppies (SPCA and HUHA) Fee	39.00	40.00
	Animal Control: Transferred Dogs		
	July to December - Entire	196.00	200.00
	January to June - Entire	98.00	100.00
	July to December - Desexed	142.00	145.00
	January to June - Desexed	71.00	72.50
	Animal Control: Change of Ownership and New Dogs		
	Dogs 12 months+, July to December, entire	155.00	158.00
	Dogs 12 months+, January to July, entire	59.00	60.00
	Dogs 12 months+, July to December, desexed	113.00	115.50
	Dogs 12 months+, January to July, desexed	43.00	44.00
	Impounding fees		

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Seizure Fee	150.00	153.00
	First per animal	115.00	117.50
	Second impounding	185.00	188.50
	Third impounding	246.00	251.00
	Sustenance per day	21.00	21.50
	After hours callout	33.00	33.50
	Micro-chipping	39.00	40.00
	Dog Euthanisation		
	Dog euthanisation - up to 20kg	192.00	196.00
	Dog euthanisation - between 21kg and 40kg	238.00	243.00
	Dog euthanisation - over 40kg	286.00	291.50
	Dog Walker		
	New dog walker licence	209.00	213.00
	Dog walker licence renewal	67.00	68.50
	Animal Control: Infringements		
	Wilful obstruction of Animal Control Officer	750.00	750.00
	Failure to supply information	750.00	750.00
	Failure to comply with bylaw	300.00	300.00
	Failure to comply with disqualification	750.00	750.00
	Fraudulent sale of dangerous dog	500.00	500.00
	Failure to comply with dangerous classification	300.00	300.00
	Failure to implant microchip	300.00	300.00
	False registration statement	750.00	750.00
	Failure to register dog	300.00	300.00
	Fraudulent attempt to procure discount	500.00	500.00
	Failure to advise change of ownership	100.00	100.00
	Failure to advise change of address	100.00	100.00
	Removal or swapping of disc	500.00	500.00
	Failure to keep dog confined	200.00	200.00
	Failure to keep dog under control	200.00	200.00
	Failure to use/carry a leash in public	100.00	100.00
	Failure to comply with noise abatement	200.00	200.00
	Dangerous dog unmuzzled in public	300.00	300.00
	Failure to comply with classification	300.00	300.00
6.1.1 Urban planning & policy	Wellington Underground Asset Map	169.05	172.00
6.2.1 Building control and facilitation	**Customer Services**		
	Issued Building Consents Report	101.00	103.00
	Refund Processing Fee	171.50	175.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Time extension application fee (30 mins admin, 30 mins inspector). Any time spent over this initial time will be charged at the relevant hourly rate	221.50	226.00
	Time Extension Processing Fee - additional inspectors time, hourly rate	271.50	277.00
	Administration Fee - hourly rate	171.50	175.00
	Restricted building work check (per notification)	86.50	88.00
	Minor Works		
	Drainage/Plumbing (val less than $5,000)) residential detached	510.00	659.00
	Drainage/Plumbing (value less than $5,000) commercial or multi-residential	1,561.00	1,730.00
	Insulation (value less than $10,000)	1,561.00	1,592.00
	Structural (value less than $10,000)	1,561.00	1,592.00
	Demolition Consent - 3 storeys or less	877.50	895.00
	Demolition Consent - greater than 3 storeys	1,890.00	1,928.00
	Free Standing Fireplace	338.50	483.50
	In-built fireplace	712.50	865.50
	Additional Inspection fee (per hour)	271.50	277.00
	Lodgement Fee		
	All applications (except minor works)	171.50	175.00
	Amendment Lodging Fee for Building Consents	127.50	130.00
	Processing Fee		
	Less than $10,000 (Category 1)	608.50	620.50
	Less than $10,000 (Category 2)	946.00	965.00
	Less than $10,000 (Category 3)	1,216.00	1,240.50
	$10,001 - $20,000 (Category 1)	1,351.50	1,378.50
	$10,001 - $20,000 (Category 2)	1,351.50	1,378.50
	$10,001 - $20,000 (Category 3)	1,351.50	1,378.50
	$20,001 - $100,000 (Category 1)	1,486.50	1,516.00
	$20,001 - $100,000 (Category 2)	1,486.50	1,516.00
	$20,001 - $100,000 (Category 3)	1,486.50	1,516.00
	$100,001 - $500,000 (Category 1)	1,621.50	1,654.00
	$100,001 - $500,000 (Category 2)	2,432.50	2,481.00
	$100,001 - $500,000 (Category 3)	2,432.50	2,481.00
	$500,001 - $1,000,000 (Category 1)	3,782.50	3,858.00
	$500,001 - $1,000,000 (Category 2)	4,322.50	4,409.00
	$500,001 - $1,000,000 (Category 3)	4,862.50	4,960.00
	$1,000,000 + (Category 1)	4,999.00	5,099.00
	$1,000,000 + (Category 2)	4,999.00	5,099.00
	$1,000,000 + (Category 3)	4,999.00	5,099.00
	for each $500,000 or part thereof over $1,000,000	1,284.00	1,309.50
	Assessment of alternative plans and specifications (To obtain pre-approval for	New	277.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	possible product substitutions or alternative plans) - per hour		
	Request for Information "RFI" Fee (to review additional information), charge per additional hour of officer re-assessment time.	271.50	277.00
	Processing fee - for Fast Track Consents		
	Fast Track - consents only - issued within 10 days (criteria applies, and applications will only be accepted on a case-by-case basis)	2 x consent approval charges	2 x consent approval charges
	Fast Track - consents only - issued within 5 days (criteria applies, and applications will only be accepted on a case-by-case basis).	3 x consent approval charges	3 x consent approval charges
	Multi proof consent		
	Lodgement fee	171.50	175.00
	Plan check - est 3 hours	811.50	831.00
	Additional time per hour	271.50	277.00
	Code Compliance Certificate		
	Code Compliance Certificate (for Category 1 applications)	171.50	175.00
	Code Compliance Certificate (for Category 2 applications)	171.50	175.00
	Code Compliance Certificate (for Category 3 applications)	215.00	219.50
	District Plan Check Fee		
	Building consents with a project value of less than $20,000 (Initial charge for 30mins, then additional charges apply per 30 minutes of processing time above this)	135.00	137.50
	Building consents with a project value of $20,001 or over (Initial charge for 1st hour, then additional charges apply per hour of processing time above this)	261.50	266.50
	Additional hours - per hour	261.50	266.50
	Building Inspections		
	Hourly charge: the initial payment is based on estimate of inspections required. The final charges are based on actual time.	271.50	277.00
	Structural Check & Additional Charges		
	Residential 1, 2 and 3 structural work (on plan reviews) Deposit of 3 hours	727.50	1,247.00
	Commercial 1 structural work (on plan reviews) Deposit of 4 hours	970.00	1,662.00
	Commercial 2 and 3 structural work (on plan reviews) Deposit of 5 hours	1,212.50	2,078.50
	Residential 1, 2 and 3 structural work (for amended plans) Deposit of 2 hour	485.00	831.50
	Commercial 1 and 2 structural work (for amended plans) Deposit for 2 hours	485.00	831.50

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Commercial 3 structural work (for amended plans) Deposit for 3 hours	727.50	1,247.00
	Hourly Charge for Engineers (including internal overheads), over and above deposit	407.50	415.50
	Hourly charge for Contract Management, over and above deposit	232.50	237.00
	An additional deposit of 2.5 hours for all levels of buildings requiring structural checking not supported by a producer statement from a Chartered Professional Engineer	1,212.50	1,237.00
	Consent suspend fee (to review additional information) – per additional hour of Engineer reassessment time, all	407.50	415.50
	Vehicle Access		
	Plan check linked to a building consent or resource consent	522.50	533.00
	Received independently (small)	530.00	540.50
	Received independently (multiple)	892.50	910.50
	Initial inspection fee	261.50	266.50
	Vehicle crossing inspection fee over 1hr	261.50	266.50
	Compliance Schedule		
	New compliance schedule (linked with Building Consent). This is the minimum charge (based on one hour of processing), additional charges will apply for time taken over this, at $277.00 per hour for additional hours	406.50	414.50
	Additional charge per hour for new compliance schedule (linked with Building Consent)	271.50	277.00
	Alterations and amendments to compliance schedule (linked to building consent or application for amendment to CS Form 11) will be charged on a time-taken basis at the per hour rate of officer time.	271.50	277.00
	Minor compliance schedule amendments - change of owner/ agent, minor changes to Compliance Schedule requested by owner/ agent. This is the minimum charge (based on 15 min of processing). Additional charges will apply for time taken over this.	69.00	70.50
	Health Assessment		
	Building consent for food premises - base fee	431.50	440.00
	Additional charge for processing time in excess of two hours	261.50	266.50
	Trade Waste Management		
	Assessment of building consent including trade waste element	223.50	228.00
	Record of Title Change Lodgement		
	Processing time per hour	271.50	277.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Preparation of legal documents (covers first two hours of processing time)	511.00	521.00
	Disbursement of legal costs for registering certificates against titles	Actual Cost	Actual Cost
	S77 building over two or more allotments - legal costs	Actual Cost	Actual Cost
	S72 land subject to hazards - LINZ lodgement	Actual Cost	Actual Cost
	Certificate of Public Use (CPU)		
	Initial fee (includes 1 hour processing time)	271.50	277.00
	Processing time over 1 hour	271.50	277.00
	Lodgement fee	127.50	130.00
	Amended Plan		
	Initial fee (includes 1 hour processing time)	271.50	277.00
	Processing time over 1 hour and RFI's per hour	271.50	277.00
	Lodgement fee	127.50	130.00
	PIM (if lodged with building consent)		
	PIM ONLY - single residential dwelling including accessory buildings	676.00	689.50
	PIM ONLY - other	811.50	827.50
	Certificates of Acceptance - Urgent Work		
	Lodgement fee	171.50	175.00
	Less than $10,000 (Category 1)	1,149.00	1,172.00
	Less than $10,000 (Category 2)	1,486.50	1,516.00
	Less than $10,000 (Category 3)	1,757.50	1,792.50
	$10,001 - $20,000 (Category 1)	1,891.00	1,929.00
	$10,001 - $20,000 (Category 2)	1,891.00	1,929.00
	$10,001 - $20,000 (Category 3)	1,891.00	1,929.00
	$20,001 - $100,000 (Category 1)	2,567.50	2,619.00
	$20,001 - $100,000 (Category 2)	2,567.50	2,619.00
	$20,001 - $100,000 (Category 3)	2,567.50	2,619.00
	$100,001 - $500,000 (Category 1)	2,702.50	2,756.50
	$100,001 - $500,000 (Category 2)	3,511.50	3,581.50
	$100,001 - $500,000 (Category 3)	3,511.50	3,581.50
	$500,001 - $1,000,000 (Category 1)	4,862.50	4,960.00
	$500,001 - $1,000,000 (Category 2)	5,402.50	5,510.50
	$500,001 - $1,000,000 (Category 3)	5,944.00	6,063.00
	$1,000,000 + (Category 1)	6,077.50	6,199.00
	$1,000,000 + (Category 2)	6,077.50	6,199.00
	$1,000,000 + (Category 3)	6,077.50	6,199.00
	for each $500,000 or part thereof over $1,000,000	1,284.00	1,309.50
	Consent Suspend Fee (to review additional information), charge per additional hour of officer re-assessment time.	271.50	277.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Certificates of Acceptance - Non Urgent Work		
	Lodgement fee	495.00	505.00
	Less than $10,000 (Category 1)	3,329.50	3,396.00
	Less than $10,000 (Category 2)	4,307.00	4,393.00
	Less than $10,000 (Category 3)	5,092.00	5,194.00
	$10,001 - $20,000 (Category 1)	5,482.00	5,591.50
	$10,001 - $20,000 (Category 2)	5,482.00	5,591.50
	$10,001 - $20,000 (Category 3)	5,482.00	5,591.50
	$20,001 - $100,000 (Category 1)	7,439.50	7,588.50
	$20,001 - $100,000 (Category 2)	7,439.50	7,588.50
	$20,001 - $100,000 (Category 3)	7,439.50	7,588.50
	$100,001 - $500,000 (Category 1)	7,831.50	7,988.00
	$100,001 - $500,000 (Category 2)	10,177.50	10,381.00
	$100,001 - $500,000 (Category 3)	10,177.50	10,381.00
	$500,001 - $1,000,000 (Category 1)	14,092.00	14,374.00
	$500,001 - $1,000,000 (Category 2)	15,659.50	15,972.50
	$500,001 - $1,000,000 (Category 3)	17,225.50	17,570.00
	$1,000,000 + (Category 1)	17,615.50	17,968.00
	$1,000,000 + (Category 2)	17,615.50	17,968.00
	$1,000,000 + (Category 3)	17,615.50	17,968.00
	for each $500,000 or part thereof over $1,000,000	3,851.50	3,928.50
	Consent Suspend Fee (to review additional information), charge per additional hour of officer re-assessment time.	407.00	415.00
	Building Warrant of Fitness		
	Independent Qualified Person (IQP) Registration Fee (New & Renewal)	271.50	277.00
	Additional charge for each new competency registered	127.50	130.00
	Building Warrant of Fitness - Annual Certificate. This is the base charge for 1 specified system. Additional charges will apply for time over 0.5 hours	136.50	139.00
	Building Warrant of Fitness - Annual Certificate. This is the base charge for 2 - 10 specified systems. Additional charges will apply for time taken over 1 hour	271.50	277.00
	Building Warrant of Fitness - Annual Certificate. This is the base charge for 11+ specified systems. Additional charges will apply for time taken over 1.5 hours	406.50	414.50
	Additional charge per hour for processing Annual Certificate, where processing time exceeds that allowed for in the base charge.	271.50	277.00
	Building Warrant of Fitness Inspection (per hour)	271.50	277.00
	BWOF Audit 1 specified system	271.50	277.00
	BWOF Audit 2-10 specified systems	541.50	552.50

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	BWOF Audit 11+ specified systems	811.50	827.50
	Swimming Pools		
	Pool fencing inspection per hour.	271.50	277.00
	Review of IQPI Independently Qualified Pool Inspector audit report	86.50	88.00
	Special Activity and Monitoring - Hourly charge for officer time considering proposals and monitoring compliance	261.50	277.00
	Notification of Change of Use		
	Lodgement Fee	171.50	175.00
	Initial fee (includes 2 hours processing)	522.50	554.00
	Processing over 2 hours - per hour	261.50	277.00
	SIMPLI Online Application Fee		
	SIMPLI Online Application Fee - Includes building consent applications, amended plan applications, or Project Information Memorandum applications (PIMS)	51.75	51.75
	Accreditation Levy		
	Accreditation Levy - per $1000 of project value	0.50	0.50
	Levys collected on behalf of other agencies		
	MBIE Levy - $1.75 per $1000 for project values of $65000 & above	1.75	1.75
	MBIE Levy Commission - 3% of levy collected retained by Council	3%	3%
	BRANZ Levy - $1.00 per $1000 for project values of $20,000 & above	1.00	1.00
	BRANZ Levy Commission - 3% of levy collected retained by Council	3%	3%
	LIMs and Information Services		
	LIMs : Residential	552.50	563.50
	Fast track fee – single residential properties: (case by case)	276.50	282.00
	LIMs: Non-residential Base Fee	1,289.00	1,315.00
	LIMs : Per hour after 7 hrs	171.50	175.00
	Fast track fee – multi-residential properties: (case by case)	414.00	422.50
	Fast track fee – commercial properties: (case by case)	645.00	658.00
	Property Reports: Residential 1-2 units	257.50	262.50
	Property Reports: Multi-residential 3-8 unit property	376.50	384.00
	Property Reports: Multi-residential 8+ unit property	400.00	408.00
	Refunds issued if cancelled - Within 1 working day	310.50	316.50
	Refunds issued if cancelled - Between 1 and 3 working days	235.50	240.00
	Refunds issued if cancelled - After 3 working days	135.25	138.00
	Development Contribution Administration Costs		

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Initial Fee for a special assessment, reconsideration or objection	1,400.00	1,428.00
	Additional processing hours (per hour) – DC officer /advisors	261.50	266.50
	Disbursements	Variable - based on actual cost	Variable - based on actual cost
6.2.2 Development control and facilitation	**Resource Consent Fees**		
	Initial application fee s226	1,043.50	1,064.50
	Pre-application meetings: planner / expert / compliance officer (charge per hour).	261.50	266.50
	Non-notified resource consent: land use	2,776.50	3,397.00
	Application Fees - Boundary activities - deposit fee	782.50	918.50
	Application Fees - Marginal or temporary activities	522.50	651.00
	Application Fees - Other Approvals - Existing use certificate (s139A)	1,750.00	1,785.00
	Non-notified resource consent: subdivision	3,364.00	4,182.00
	Non-notified resource consent: subdivision and land use	4,541.50	7,140.00
	Limited notified resource consent: subdivision and/ or land use	14,129.00	19,380.50
	Fully notified resource consent: subdivision and/ or land use or Private Plan Change and Notice of Requirements	26,910.00	32,640.00
	- Change or cancellation of conditions (s127);	1,750.00	2,448.00
	All other approvals including: - Non-notified consent application for earthworks only; - Outline plan approval; - Certificate of Compliance; - Extension of time (s125); - Consents notices (s221); - Amalgamations (s241); - Easements (s243), Right of Way or similar - up to 6 hrs planner / advisor, 1 hr admin, $55 disbursements	1,750.00	1,812.50
	Outline Plan waiver	505.00	1,020.50
	Certificates: Town Planning, Sale of Liquor, Overseas Investments, LMVD - up to 2 hrs planner / advisor, 1 hr admin	357.50	364.50
	Premium applications - non-notified consents only, issued within five working days (conditions apply, and applications will only be accepted on a case-by-case basis).	3 x normal fee	3 x normal fee
	Premium applications - non-notified consents only, issued within ten working days (conditions apply, and applications will only be accepted on a case-by-case basis).	2 x normal fee	2 x normal fee

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Additional Charges		
	Cost of all disbursements i.e.: venue hire, photocopying, catering, postage, public notification	Variable - based on actual cost	Variable - based on actual cost
	Specialist consultant report (including consultant planners)	Variable - based on actual cost	Variable - based on actual cost
	Independent Commissioners	Variable - based on actual cost	Variable - based on actual cost
	All consents & Private Plan Changes : additional processing hours (per hour) - planner/advisor /compliance officer	261.50	266.50
	All consents & Private Plan Changes: additional processing hours (per hour) - administrative officer	152.50	155.50
	Bylaw Application		
	Applications relating to signs (e.g. Commercial Sex Premises) up to six hours	1,514.00	1,544.50
	Compliance Monitoring		
	Monitoring Compliance of Resource Consents: subdivision or land use - minimum of one hour then based on actual time after that.	261.50	266.50
	Monitoring Administration per hour rate administrative officer.	152.50	155.50
	Cost of disbursements, e.g. materials, consultant investigations	Variable - based on actual cost	Variable - based on actual cost
	Additional hours (per hour)		
	- planner / expert / compliance officer	261.50	266.50
	- administrative officer	152.50	155.50
	Subdivision Certification		
	Below are minimum fees. Charges will be based on actual time if over and above that at the following hourly rate	261.50	266.50
	Stage certification: each stage for s223, s224(f), s226 etc up to 2 hours,	522.50	533.00
	Combination of two or more Stage certifications: s223, s224(f), s226 etc - up to 6 hours,	1,514.00	1,600.00
	Certification s224 - up to 6 hours	1,514.00	1,600.00
	All other RMA, Building Act, Unit Titles Act and LGA certificates, legal documents etc - up to two hours (disbursements charged separately)	522.50	533.00
	Bonds: each stage of preparation or release - up to 2 hrs	522.50	533.00
7.2.1 Parking	Electric Vehicle Charger End User Charge- Kilbirnie Recreation Centre	25c per kWh & 15c per minute	$0.40-$0.90 per kWh
	Tory St Carpark - Earlybird	$18.00	$19.00
	Tory St Carpark - Nights & Weekends Max	$10.00	$11.00
	Tory St Carpark - Monthly Reserved	$399.00	$406.00
	Tory St Carpark - Monthly Unreserved	$330.00	$336.00

Activity Group	Name of Fee	LTP 24/25 Fee ($) (previous year)	Proposed fees change AP 25/26 ($)
	Tory St Carpark - Hourly Rate - Weekdays	$5.00	$5.50
	Tory St Carpark -Hourly Rate - Weekends & nights	$3.00	$3.50
	Clifton - Daily Rate	$24.00	$25.00
	Clifton - Monthly Reserved - Kumutoto	$295.00	$300.00
	Clifton - Monthly Reserved - South	$330.00	$336.00
	Clifton - Monthly Reserved - Terrace & Downer	$410.00	$418.00
	Clifton - Monthly Reserved - Covered	$440.00	$448.00
	Clifton Hourly Rate - Weekdays	$5.00	$5.50
	Clifton Hourly Rate - Weekends & nights	$3.00	$3.50
	On street Hourly Rate - Weekdays	$5.00	$5.00
	On street Hourly Rate - Weekends	$3.00	$3.00
	Coupon Carpark - Daily	$18.00	$18.50
	Coupon Carpark - Monthly	$300.00	$306.00
	Resident Parking Permit	$195.00	$199.00
	Trade Coupons - Full Day	$50.00	$51.00
	Trade Coupons – Half Day	$25.00	$25.50
	Trade Coupons - Weekend	$30.00	$31.00
	Trade Coupons - Single Day Suburban	$18.00	$18.50
	Coupon Exemption Permits	$120.00	$122.50

Potential Sale of City Art Collection – Options analysis

	Benefits	Risks	Costs	Revenue	Timeline to implement
Option 1 – Status Quo	- Maintain the Council's role of acquiring, displaying, and caring for artworks of significance to Wellington, first started in 1882. - Support for local artists: continue to deliver on the City Art Collection Policy objectives and Aho Tini Strategy by maintaining support for new, emerging, and mid-career Wellington artists through purchasing and promoting their artworks - Promote Wellington and maintain the Council's reputation as the Creative Capital through the provision and care of the art collection. - Facilitate the public's awareness of and access to Wellington's artistic heritage including through public display of artworks and viewing for civic and art historical research purposes. - Continue to loan artworks to public galleries nationally. - Maintain focus on diversifying demographic representation in accordance with Council's Aho Tini Strategy and Creative New Zealand research.	- Full collection not currently visible / accessible enough to the public due to lack of public display spaces. - New collection storage facility and funding for this will be required. - Perception of support for arts as an ill use of public money.	Per annum as currently budgeted: - Maintenance: $30,000 - New acquisitions: $30,000 - Staff: 0.6FTE - Storage costs: TBA	$0	N/A

	Benefits	Risks	Costs	Revenue	Timeline to implement
Option 2 – Targeted sale of some works (potentially based on collection criteria)	- One-off sales revenue received. - Less space required for storage (quantum not significant). - Higher number of works retained compared to option 3.	- Smaller number of items eligible for sale. - Strategic clarity on a one-off sale: Note that standard international (and New Zealand) public sector practice is that arts de-accessioning revenue is reinvested in the arts. Some artworks will have conditions attached to sale provisions. - Risk: perception by creative sector of a reduction of support for the arts. - Loss of representation of artists and artworks from certain periods and demographics.	- Auction house fees for appraisal, advisory work, associated costs and premiums on sold artworks. - Artist royalty fees, 5% on eligible works. - Staff resource for: project management, art handling, public engagement and communication. - Art handling and transportation costs.	Depends on artwork(s) selected. Would need further refinement and assessment.	6 months – 1 year

	Benefits	Risks	Costs	Revenue	Timeline to implement
Option 3 – Partial Sale: all non-gifted items	- One-off sales revenue received. - Less space required for storage	- One-off financial return. - Strategic clarity on a one-off sale: Note that standard international (and New Zealand) public sector	- Auction house fees for appraisal, advisory work, associated costs and	Up to $1.56m[1] Estimate based on market rate	1-2 years

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[1] Based on 100% of selected items selling. Fair Market Value is not a guarantee of buyers

		practice is that arts de-accessioning revenue is reinvested in the arts. - Risk: perception by creative sector of a reduction of support for the arts. - Unlikely to recover costs for recent artwork purchases. - Some artworks will have conditions attached to sale provisions. - Loss of representation of artists and artworks from certain periods and demographics.	premiums on sold artworks. - Artist royalty fees, 5% on eligible works - Staff resource for project management, art handling, public engagement and communication - Art handling and transportation costs	of confirmed non-gifted items, currently estimated at 251 works. Further exclusions may be required.[2]	

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[2] This value includes Mayoral portraits and works requiring conservation or in poor condition

Water Services Delivery Model, LTP Amendment and Annual Plan Consultation (March/April 2025) Communications and Engagement Plan

About– the current situation

This document summarises the planned communications and engagement activity for the community consultation on the Water Services Delivery Model (WSDM), 2024-34 Long-term Plan (LTP) Amendment, and 25/26 Annual Plan (AP).

While the WSDM and AP do not require a Special Consultative Procedure (SCP), the Council must use the SCP for adopting or amending a Long-term Plan. The SCP requires the Council to prepare a statement of proposal and make this publicly available. It must allow feedback of at least one month. The Council must ensure people are given an opportunity to present their views through written submissions, spoken interaction or sign language.

The AP, LTP Amendment, and WSDM consultation will take place from 20 March to 20 April 2025. Oral hearings for the LTP/AP are scheduled from 1—8 May 2025 (dates for the WSDM hearings are TBC). Due to these timings, we are planning a joined-up approach, with a single campaign encouraging the public to have their say on the WSDM, LTP Amendment, and AP.

Appendix one provides a summary of 2024—34 LTP engagement activity.

Objectives

The primary objective of this consultation is to **encourage and support people to make informed submissions** via the correct process.

This includes:
- Building **awareness of the consultation**, key dates, and how to participate.
- Providing **clear, accessible information** to build understanding of the proposals.
- **Encouraging submissions** – whether people fill out the submission form online, in hard copy (available at libraries), provide an oral, audio or video submission, or contribute to a submission via the community groups, organisations or associations they are connected to.
- **Reducing consultation fatigue** and streamlining our processes where possible by consolidating the three consultations.
- Increasing accessibility and engagement by **piloting video and audio submissions** as an additional option for providing feedback.

Considerations

Key considerations include:

- **Building on 2024—34 LTP engagement.** During multiple phases of engagement between April 2023 and May 2024, we received approximately 7,501 items of feedback from the community on the 2024—34 LTP. The LTP amendment consultation must acknowledge and build on this extensive engagement and acknowledge that community members may feel that they have already provided the Council with their feedback on very similar consultation topics.

- **Employee, Councillor and participant safety.** While we're confident the majority of Wellingtonians want to engage constructively with us, we have seen an increase in the level of negative and, occasionally, abusive commentary and behaviour directed at the Council and our kaimahi. Ongoing frustration with the Council and contentious proposals about things people care deeply about make the LTP amendment process a target for this. These were issues during the 2024—34 LTP consultation, and we expect this to be amplified during this amendment process. Particularly with regard to in-person events, we are highly cognisant of the situations we are putting representatives into, and the environment we're creating for participants.

- **Breadth, complexity and profile of the proposals, and varying community priorities.** Key proposals this consultation will cover are complex, high profile and contentious, and already subject to significant public debate. This makes the provision of clear, accurate information an important challenge. Further, the issues designated as significant by the Council in the LTP/AP consultation might not always reflect what is most important to communities or what we were told by the community during the 2024—34 LTP consultation.

- **Accessibility and equity**. The Council's engagement processes, particularly formal consultation under the Special Consultative Procedure as outlined by legislation, are easier for some groups to navigate than others. Additional effort to target underrepresented groups is required.

- **Consultation fatigue**. As per point one, elements of the LTP Amendment have already been subject to extensive community consultation. Further, the decision to run the WSDM consultation at the same time as the AP/LTP amendment consultation elevates the risk of consultation fatigue and confusion from the community. This will be mitigated where possible with a joint promotional plan and consultation approach across the AP/LTP and WSDM consultations.

Approach – what we propose to do

Given the timings, the best approach is to bundle the three consultations into one campaign. This is the most efficient use of staff time, budget, and other resource, and avoids separate, smaller campaigns competing for attention from the same audience at the same time. However, it does make it harder for those who are interested in one element but not others and reduces our ability to set out and explain issues in our high-level messaging.

Our approach includes:

- **Promotion** across our internal and external channels, supplemented by a paid advertising campaign.
- **Utilising digital channels** and online engagement opportunities where possible, due to benefits in reach, flexibility, accessibility, efficiency and safety.
- Targeted **print promotion**, including a city-wide mail drop, and promotional materials in our venues. This is to help ensure reach and accessibility for diverse audiences, based on analysis of digital advertising analytics and changes to Council communication channels.
- Providing **targeted and meaningful engagement opportunities**, in partnership with community organisations where possible, and with a focus on ensuring a safe and constructive environment.
- **Piloting video and audio submissions**, which will provide the community with an additional option for giving their feedback. This will increase accessibility by removing the need to provide written feedback and can be helpful in removing barriers for those with low literacy skills, some people with a disability, and those who prefer expressing themselves verbally.
- Given the low level of general understanding of the trade-offs required to present a balanced budget during the 2024—34 LTP consultation, we will embed **Participatory Budgeting (PB)** in our Let’s Talk consultation page, and as a tool for secondary information gathering and educational purposes during engagements. PB aims to increase transparency, accountability, and public participation in the decision-making process of the budget and is a helpful tool to visualise budgetary trade-offs. A mock-up of a PB page is available here.
- Developing **clear information / messaging and encouraging its consistent use** across the organisation, and resources that can be used flexibly depending on audience priorities.
- **Tying the LTP amendment consultation back to previous LTP engagement** – reflecting what we were told during the 2024—34 LTP consultation and how previous community feedback has been incorporated into this amendment consultation.

Key roles – who is responsible for what

Who	Role
Mayor	• Primary spokesperson – to outline vision and direction. • Build awareness of consultation, share key info, encourage submissions. • Attend key engagement events.
Elected Members	• Build awareness of consultation, share key info, encourage submissions.

	- Attend public events to listen to questions and feedback (at the Councillor's discretion, though if events are of particular relevance – e.g. for Ward Councillors, Committee Chairs – specific invites will be provided).
Acting Chief Executive/ Chief Financial Officer	- Primary spokesperson on LTP Amendment/ AP process, environmental and financial context.
Water Reform Programme Lead/ Chief Infrastructure Officer	- Primary spokespeople for WDSM consultation.
Senior Subject Matter Experts	- A group of senior (Tier 2 and 3) Council staff will be identified as Subject Matter Experts on key consultation topics. - Attend key events, provide information, answer questions.

Activity – the actions we will take

During the consultation period (20 March—20 April 2025), strategic engagement and communications activity is planned to inform Wellingtonians about the consultations and encourage them to have their say.

Engagement will include targeted activity to reach identified stakeholders including mana whenua, Māori, Community Boards, Advisory Groups, Residents' Associations, Business Improvement Districts, community groups, community centres, the Citizens' Assembly and their networks.

Again, a key focus will be ensuring a safe and constructive environment for participants and Council representatives.

Activity	About
General	
Let's Talk web hub	Our Let's Talk site is a one-stop-shop for WSDM/LTP amendment/AP engagement and information, and the online submissions process will be housed on this platform. This will include a Q&A function, where the public can submit questions that will be regularly answered. Subject to spokesperson availability, we would like to include short videos explaining key issues at a high level.
Promotional campaign	A multi-channel campaign to promote key high-level information about the consultation (what it is, dates, how to submit). This will include paid

	advertising, web stories, Pokapū stories, media releases, social media, e-newsletters, all staff emails and posters and digital screens in our venues. The primary call to action will be to visit the Let's Talk web hub to find out more or make a submission. Secondary layers can promote events, hardcopy submission mechanisms, etc.
Hardcopies at Council facilities	Consultation materials and submission forms will be available at libraries and community service centres during the consultation period.
Email campaign	A series of emails (consultation opening, drop-in reminders, key topics, consultation closing) will be sent to stakeholder email lists collected via previous engagement activity.
Digital 'key topics' series	During the consultation, we'll feature 1—2 'key topics' per week on our social media channels, and *Our Wellington* e-newsletter, highlighting key proposals in simple language. The planned topics will be finalised once main consultation issues are finalised. There is some flexibility to adjust topics as the consultation progresses.
City-wide mail drop	A city-wide mailout of a DL brochure outlining the key consultation issues and submission process for the AP/LTP and Water consultation.
Targeted	
One drop-in session in each ward	One small 60-90-minute drop-in session per ward in libraries, tailored to local proposals where applicable. These would capture walk-in interest from the public. They will be staffed by SMEs on the key proposals. Ward Councillors to attend to listen to community views.
Resource pack for community groups	To reach diverse groups of Wellingtonians, we will provide community partners with a pack of resources to share with their groups, explaining the consultations and how to make a submission. Groups can then use these to gather perspectives of their community. This approach enables us to streamline engagement with the community and minimise fatigue, harness the power of existing networks, and reach those who may be passionate about certain areas of the consultation. We will be on hand to lend guidance or attend community meetings where needed.
Targeted in-person or online hui	These will be held with our Advisory Groups, Business Improvement Districts, Community Boards, and the Wellington Residents' Association Network. We may use our Participatory Budgeting tool to gather secondary feedback on the proposed budget and as an educational tool during the hui. These hui will enable us to disseminate information to wide and diverse groups of stakeholders in a streamlined manner.

Mana whenua/ hapori Māori	Ngāti Toa and Taranaki Whānui ki Te Upoko o Te Ika have been working alongside Mayors and Elected Members on the Advisory Oversight Group for the regional approach to water services. Mana whenua engagement on this joint consultation will take place via the Tākai Here Forum, and Pouiwi. For the ward-based drop-ins, we are working with Mataaho Aronui to determine the most suitable location for a drop-in for the Māori ward, as it does not correspond to a specific physical location.
Multi-cultural Forum	On 10 April 2024, the Social, Cultural and Economic Committee agreed to provide funding for a 'multi-cultural forum' in 2025 for ethnic community stakeholders to provide advice and input to Council. Because the LTP amendment/AP and WSDM are priority projects for the Council, we propose hosting a multi-cultural forum on this combined consultation.
Citizens' Assembly hui	We will invite the Citizens' Assembly to participate in an online hui. They are a well-informed group of stakeholders and there is value in continuing to seek the Assembly's feedback on the LTP amendment.
Youth Engagement	The engagement approach for young people (12-24) will complement the general approach. Tertiary and secondary education providers, youth development and youth led organisations will be engaged with to best determine partnership approaches that reach a wide range of diverse youth. Youth Council will be engaged, informed and invited to do wider community outreach.

Appendix one

Summary of activity during 2024—34 LTP engagement

The below table outlines engagement activity during the 2024—34 LTP process between April 2023 and May 2024. Activity was promoted via media release, website news story, social media, e-newsletters, stakeholder emails, and digital screens and posters in our facilities. For key elements, video and a small amount of paid advertising was also used.

Activity	Participation	Findings
April/May 2023: Outcomes and priorities		
• Presented on the LTP to interested groups including the Wellington Residents Association Network, and our two Community Boards. • Workshops (presentation and card sorting activity boards): ○ 6 general public workshops across the city: Churton Park, Karori, Newtown, Strathmore, Khandallah and in the central city. ○ 7 targeted sessions: St Catherine's College, Gen Vote, Massey University, Victoria University, Hapori Māori, CBD businesses, and WCC Advisory Groups. • Online survey (simple 5-minute survey ranking priorities). • Postcards: Alongside the card activity, and through youth engagement, participants could write/draw on postcards asking, "what will make Wellington a great place to live, work, study and play?"	• Total workshop attendance: approx. 350 people, with 62 boards completed. • Online survey: 2722 responses over five weeks. • Postcards: approx. 150 postcard letters were completed.	Detailed results here: 2024-34 Long-term Plan Engagement Phase 1 Report
September/October 2023 – Citizens' Assembly		
• The Assembly was asked to give a collective view about which Council services should be prioritised over the next 10 years, balancing community benefits with the cost of delivering these services. • The Assembly wrote a report containing their advice to Council.	• 800 expressions of interest (invitations sent to 10,000 addresses). • 42 participants selected.	Citizens' Assembly Advice to Council
September/October 2023 – Rating Policy Review Consultation		
• 18 September – 18 October Consultation on the review of rating policies looked at how the	• 160 submissions	Engagement summary in 7 December

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overall rates bill is divided up—that is, the proportion each property owner pays. - Oral submissions heard at a hearing on 1 November 2023.		LTPFPC papers
March/April 2024: 2024—34 LTP Formal Consultation		
- 12 April- 12 May 2024. The 2024—34 LTP consultation received 4077 submissions. This was a major uplift from the 1999 submissions we collected for the 2021 LTP.	- 4077 submissions.	Engagement summary

DECISION REGISTER UPDATES AND UPCOMING REPORTS

Kōrero taunaki | Summary of considerations

Purpose

1. This report provides an update on which previous decisions have been implemented and which are still outstanding. It also provides a list of items scheduled to be considered at the next two meetings (hui).

Strategic alignment

2. N/A. This report is considered at every ordinary meeting and assists in monitoring progress.

Author	Leteicha Lowry, Senior Democracy Advisor
Authoriser	Sean Johnson, Democracy Team Leader Andrea Reeves, Chief Strategy and Finance Officer

Taunakitanga | Officers' Recommendations

Officers recommend the following motion:

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

1. Receive the information.

Whakarāpopoto | Executive Summary

Decision register updates

3. A full list of decisions, with a status and staff comments, is available at all times on the Council website. Decisions where work is still in progress, or was completed since the last version of this report can be viewed at this link: https://meetings.wellington.govt.nz/your-council/decision-register?UpdatedSinceLastMeeting=true&CommitteeName=K%C5%8Drau+T%C5%8Dt%C5%8Dp%C5%AB+%7C+Long-term+Plan%2C+Finance%2C+and+Performance+Committee%2BP%C5%ABroro+Tahua+%7C+Finance+and+Performance+Committee%2BP%C5%ABroro+Maherehere+%7C+Annual+Plan+%7C+Long-Term+Plan+Committee

4. If members have questions about specific resolutions, the best place to ask is through the written Q&A process.

5. This body passed 39 resolutions at the last meeting. All are now complete.

6. 72 in progress resolutions were carried forward from previous reports:
   - 41 are now complete and 31 are still in progress.

Upcoming reports

7. The following items are scheduled to go to the next two hui:

8. Rātū, 18 Poutū-te-rangi 2025 (Tuesday, 18 March 2025):

- 2025-26 Annual Plan and LTP Amendment - Adoption of Consultation Document (Chief Strategy and Finance Officer).

9. Rāpare, 3 Pāenga-whāwhā 2025 (Thursday, 3 April 2025):
    - *There are currently no agenda items scheduled for this meeting.*

Takenga mai | Background

10. The purpose of the decisions register is to ensure that all resolutions are being actioned over time. It does not take the place of performance monitoring or full updates. A resolution could be made to receive a full update report on an item, if desired.
11. Resolutions from relevant decision-making bodies in previous trienniums are also included.
12. Elected members can view public excluded clauses on the Council website: https://meetings.wellington.govt.nz/your-council/decision-register.
13. The upcoming reports list is subject to change on a regular basis.

Attachments

Nil